

Social Security Bulletin

April 1944

Vol. 7

No. 4

Social Security for Farm People

*Economic Factors in Long-Range Cost Estimates of
Old-Age and Survivors Insurance*

*Actuarial Factors in Old-Age and Survivors
Insurance*

Duration of Unemployment Benefits, 1942

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The SOCIAL SECURITY BULLETIN is published monthly under authority of Public Resolution No. 57, approved May 11, 1922 (42 Stat. 541), as amended by section 307, Public Act 212, 72d Congress, approved June 30, 1932. *This publication is approved by the Director of the Bureau of the Budget.

The BULLETIN is prepared in the Office of the Executive Director, Division of Publications and Review, of which Mary Ross is Chief, and is under the technical supervision of I. S. Falk, Director, Bureau of Research and Statistics. It reports current data on operations of the Social Security Board and the results of research and analysis pertinent to the social security program, and is issued primarily for distribution to agencies directly concerned with the administration of the Social Security Act. Statements in articles do not necessarily reflect final conclusions or official policies of the Social Security Board.

The BULLETIN is for sale by the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C., to whom all purchase orders, with accompanying remittance, should be sent. Single copy, price 20 cents. Annual subscription in the United States, Canada, and Mexico, price \$2.00; in other countries, \$3.75.

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The changes in Bulletin typography and paper stock have been made in the interest of further paper saving. The contents and general arrangement by programs have been changed only slightly.





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Social Security in Review

ALTHOUGH UNEMPLOYMENT BENEFITS increased 17 percent in February, the \$6.2 million disbursed was still 43 percent below the amount in February 1943. The larger volume of initial claims filed in January, which led to the February increase in payments, was largely seasonal and not necessarily an indication of increasing unemployment. The total expenditure in the first 2 months of this year was less than in January 1943 alone.

In line with the pattern of previous years, fewer initial claims were filed in February than in January; only Connecticut, Michigan, and Montana reported increases. The number of continued claims increased, though at a lower rate than in the months immediately preceding. The February drop of 20 percent in initial claims will undoubtedly lead to a decline in continued claims filed in March.

The weekly average number of unemployed workers receiving benefits in February went above 100,000 for the first time since June 1943. This average—104,000—and the 416,000 compensated weeks of unemployment represented increases of 24 and 14 percent from January levels, but each was only half the number a year earlier.

WITHDRAWAL OF older workers from covered employment continued to be reflected in old-age and survivors insurance in February. More primary benefits were awarded than in any other month since September 1942, and the number of primary benefits in conditional-payment status decreased slightly for the third consecutive month.

Although the number of monthly benefits awarded was 7 percent above that in January, both the number of benefits in force at the end of February—920,000—and the monthly amount—\$16.8 million—represented only increases of 2 percent.

The amount certified in monthly benefits during the month—\$14.9 million—was 25 percent greater than a year earlier and was distributed among the different types of beneficiaries as follows: primary 52 percent, supplementary 9 percent, and survivor 39 percent. Lump-sum payments of \$1.7 million certified under the 1939 amendments represented the largest amount certified in any month.

In 1943, 7.4 million applications for social security account numbers were received, 200,000 less than in 1942. In the first 9 months, applications exceeded those for the comparable months of 1942. In the fourth quarter, however, the rapid decline in the relative number of persons in

the labor force without account numbers, the leveling-off of war production, and continued inductions into the armed forces caused applications to drop to the lowest fourth-quarter volume since the initial registration.

The number of 1943 applicants aged 60 and over was 17 percent above that in 1942. There were fewer older men than a year ago, but the number of older women increased almost four-fifths.

The number of Negro applicants also increased, by 17 percent. Here again, the increase reflected the greater numbers of women entering covered employment for the first time.

Less than 3 million accounts were established for men, the smallest number for any year; the only age groups with more applicants than in 1942 were boys under age 15 and men

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aged 65 and over. More accounts were established for women than in any other year since 1937, and women constituted 61 percent of all applicants in 1943 as against 54 percent in the preceding year.

Of the 76 million accounts established by the end of 1943, an estimated 69.3 million were held by living persons—66 percent of the estimated population aged 14 and over. This proportion has been going up steadily; it was 49 percent in 1940, 54 percent in 1941, and 60 percent in 1942.

THE GENERAL LEVEL of public assistance changed little in February. The total expenditure of \$78.5 million for assistance in the continental United States was less than 1 percent above that in January—an increase shared by all programs but general assistance. In all programs, the number of recipients declined slightly.

In comparison with February 1943, assistance expenditures for the four programs were 2.4 percent higher. If expenditures for work program earnings in the earlier year are included, this February's total represents a decrease of 13.3 percent. The decrease in numbers of recipients over the year was smallest (4 percent) for old-age assistance and aid to the blind and largest (34 percent) for general assistance; families receiving aid to dependent children were fewer by 20 percent.

In the country as a whole, the average payment increased from \$26.82 in January to \$26.99 in February for aged recipients; from \$41.68 to \$42.21 for aid to dependent children; from \$28.03 to \$28.18 for blind recipients; and from \$27.30 to \$27.76 for general assistance cases.

Payments to Veterans of the Spanish-American War

The rates of service pensions payable to veterans of the War with Spain, the Philippine Insurrection, and the China Relief Expedition, and to their widows or former widows, were brought in line with those now paid for service in the Civil War by the enactment on March 1 of H. R. 2350 (Public, No. 242, 78th Cong., 2d sess.).

The amendment increases from \$60 to \$75 the monthly amount payable to a veteran at age 65 or for total disability. The pension payable to

a veteran's widow is increased to \$40 a month at age 65; if the widow was the wife of a veteran during his period of service her pension is increased to \$50. Under the earlier law, the pension was a flat \$30, regardless of age. The amendment also extends from September 1, 1922, to January 1, 1938, the date before which the marriage must have taken place if the widow is to be eligible for a pension, and provides that no pension shall be payable to a widow who deserted the veteran.

In the House Report on the bill, the Committee on Pensions announced that it was estimated that during the first year the amendments would provide increased pensions for about 85,140 veterans now on the rolls, at an additional cost of \$15,286,000. Extension of the marriage limitation may bring into the system between 2,000 and 4,000 widows, at an additional cost of \$821,000 to \$1,642,000. Increases in the rate of pensions to widows may affect about 42,800 widows and cost an additional \$8,301,000. The total cost in the first year will exceed \$24 million.

United Nations Relief and Rehabilitation

Participation of this country in the work of the United Nations relief and rehabilitation organization was assured with the signing of H. J. Res. 192 on March 28 (Public, No. 267, 78th Cong., 2d sess.). The resolution authorizes appropriation to the President of such sums, not to exceed a total of \$1,350 million, as the Congress may determine from time to time to be appropriate for participation by the United States in the work of the United Nations Relief and Rehabilitation Administration, established by an agreement concluded by the United Nations and Associated Governments on November 9, 1943.

This agreement announced the determination of the United Nations to see that "immediately upon the liberation of any area by the armed forces of the United Nations or as a consequence of retreat of the enemy the population thereof shall receive aid and relief from their sufferings, food, clothing and shelter, aid in the prevention of pestilence and in the recovery of the health of the people, and that preparation and arrange-

ments shall be made for the return of prisoners and exiles to their homes and for assistance in the resumption of urgently needed agricultural and industrial production and the restoration of essential services."

The Joint Resolution contains the reservation that "rehabilitation means and is confined only to such activities as are necessary to relief."

Social Security in Venezuela

On February 1 the Venezuelan Government issued a decree amplifying the provisions of the compulsory social insurance law promulgated on July 24, 1940, and establishing the framework within which the new system will function. When and where operations actually start is to be announced in a subsequent decree.

Two programs are to be put in operation first—sickness and maternity insurance and insurance against industrial accidents and occupational diseases. Eventually the system may cover the risks of old age, invalidity, death, and involuntary unemployment, but it was decided that public acceptance of the principles of social insurance could best be developed by starting first with programs under which benefit payments could begin as soon as the programs were in operation.

Wage earners in industry and commerce, in general, are covered under both the initial programs. A wage limitation of 9,600 bolívares (about \$3,200 at current exchange rates) is set for the sickness and maternity program. Coverage is not extended to casual laborers or to members of the employer's family who work exclusively for him and live under his roof. At the outset, also, farm workers, home workers, domestic servants, and seasonal workers are excluded. These groups may be brought into the system later by executive decree.

Contributions to the sickness and maternity program are based on a schedule of five wage classes and are to be payable in equal amounts by the employer and the worker. Contributions under the other program are based on risk classes as well as wage classes and are payable by the employer. Collection will be by means of a stamp system. The initial expenditures for establishing the services and general administrative ex-

penses are to be met by the Federal Government.

Sickness benefits, payable to the insured worker and his dependents, will comprise medical, surgical, and pharmaceutical assistance and a cash allowance payable for 26 weeks. Maternity benefits to insured women and wives of insured men are to include pre-natal care, obstetrical services, and a cash benefit payable for 6 weeks before and 6 following delivery, provided the woman has not been in gainful employment during that time. A funeral benefit of 300 bolívars (about \$100) is payable at the death of the insured worker.

The cash benefits for occupational and industrial diseases or injuries run for 26 weeks; if before the end of that period the incapacity is deemed permanent, the sickness benefit ceases and the worker is eligible for a continuing indemnity related to his annual wage and degree of incapacity.

No time limit is set for the medical services, however, which are to continue as long as the worker is incapacitated.

General authority for supervision of the programs is vested in the Central Social Security Institute, an autonomous body which will operate through a Management Council and a Director General. The Council is to consist of six members, two representing the Government, two the employers, and two the workers. Each representative will serve for a term of 2 years. The Director General is to be appointed, and subject to removal, by the President, through the Minister of Labor and Communications. He will be responsible for recruiting the staff of the Institute. An important provision written into the decree is that appointment of staff is to be based on merit-system principles.

Actual administration of the pro-

grams is to be decentralized among Regional Funds. These Funds, subject to the general control of the Institute, have their own autonomy, administrative and financial, in administering sickness and maternity insurance, and each will operate through a tripartite Management Board representing the Government, employers, and workers. In the administration of the industrial and occupational accidents and disease program, the Regional Funds will act as administrative agents of the Central Institute.

The Central Institute must begin functioning within 60 days of the date of the decree, under the general control of the Minister of Labor and Communications. A special decree will fix the geographical area in which the system will start operating. Within 6 months of the date of that decree the Regional Fund must be ready to function.

Social Security for Farm People

By A. J. Altmeyer*

The 12 million people working in American agriculture are still without protection against the personal causes of insecurity. No program to meet the risks of illness, accident, disability, old age, and premature death has yet been provided for them. When the principal breadwinner of a farm family, be he an operator or a paid worker, is stricken by long illness, old age, or death, the family has only its own resources at its command. Too often these resources are inadequate to meet such contingencies.

ABOUT 12 million people are working on farms. Some 4 million or more work for wages; they may be regular workers, or sharecroppers, or local seasonal workers, or migratory workers. Many of them are farmers or farmers' sons who are temporarily not employed on the home farm. Some 6 million are farm operators, and 1½ to 2½ million are family helpers.

The farm population has more than its national share of old people. The great increase in farm tenancy in the more productive farming areas of the Nation means that fewer can retire with sufficient capital to support them during their latter years. The stream of young farmers moving up from the status of hired man to that of farm owner is diminishing, and more and

more farm employees are remaining in the status of wage workers. Even in relatively prosperous times, it is difficult for most farmers to save for their old age or for the protection of their family. For 1939, two-thirds of the farms reported a total valuation of less than \$1,000 for the farm products sold, traded, or used by farm households.

More and more, during recent years, farmers have been turning toward insurance and cooperative effort for protection against the special hazards of agriculture, both economic and natural. They have learned new ways of working together. The barn-raising and husking-bees of their grandfathers' days have given place to the group action of local organizations, which make and administer plans for crop control, irrigation and

drainage control, soil conservation and stock improvement, as well as to the pooled effort of cooperative growers' and shippers' groups. Insurance against fire, hail, drought, flood, as well as general crop insurance, has been used to spread the risk of loss from natural causes.

Now farmers are beginning to think of the possibility of applying the insurance principle also to the social hazards which affect their security. Farm families, no less than the families of urban workers, are exposed to the risk that old age or premature death will deprive them of their principal breadwinner. Sickness and accident bring medical costs that many farm families can ill afford, and sometimes result in permanent disablement of the head of the family.¹

To meet some of these contingencies the social insurance principle is already being used by the 50 million industrial and commercial workers covered by the Social Security Act. Since 1937 these workers have contributed to the old-age and survivors insurance program, and some 800,000 of them or their families were, as of the end of January of this year, re-

*Chairman, Social Security Board.

¹ See Altmeyer, A. J., "Social Security in Relation to Agriculture and Rural Areas," *Social Security Bulletin*, Vol. 3, No. 7 (July 1940), pp. 3-15.

ceiving monthly benefits under the program.

Farm People Should Have Social Security

Heretofore, farmers have borne the costs of social insecurity through local taxes for relief purposes. Thus, the farm owner, through his payment of property taxes, has in part contributed to the support of those of his fellow-farmers or agricultural workers who had lost their farms or their jobs. Under a social insurance program, all farmers and farm workers would contribute in proportion to their earnings. They would be entitled to insurance protection in proportion to those earnings rather than by reason of the financial distress in which they or their families happen to find themselves when their earnings cease.

Farmers would not have to start a new social insurance system on the basis of their own limited resources only. On the contrary, because all the Nation's workers would be pooling their small regular contributions in a common plan, farm families would enjoy the same protection as urban families. Because all families, rich and poor alike, would be included, such a program would be consistent with our democratic traditions. Under it every worker could earn basic security for himself and his family according to his ability. This, too, is consistent with our traditions of expecting everyone to pay his own way if he can, and of helping people to help themselves as much as they can.

To meet the needs of farm families adequately, social insurance should be expanded to give protection against the cost of medical care. Rural medical and hospital services have long been below urban standards, in both quality and quantity. Farm families have not been able to afford, on an individual basis, as much medical, nursing, and hospital service as they need. The greatest relative number of children with preventable illnesses or correctable defects, the highest infant death rates, and the highest death rates in maternity cases are found in rural areas. Farm boys have been rejected by army doctors for physical defects in considerably greater proportions than urban selectees. These

are partly the results of the inability of farm families to obtain adequate medical services out of their own resources.

The interest of farm people in social insurance for themselves has also been stimulated by the fact that many of them contribute from time to time to old-age and survivors insurance, when they take covered jobs during slack seasons on the farm. But, generally, they stay in covered jobs only for short periods and thus fail to qualify for insurance rights under the program. A large number have left the farm temporarily to work in covered war industries. Many of these will find, however, that whatever insurance rights they have earned will soon lapse when they return to farming or farm employment. Some will stay in industry, if they can, partly because of the security rights they have built up there.

Farmers have an interest in seeing that their workers are permitted to build up similar protection. While they cannot well compete with industry in the matter of wage rates, they can, at little cost to themselves, improve their ability to attract good men to the farm by offering the same kinds of social security, including unemployment insurance, that are now available to industrial labor. Even the farmer who employs little or no paid help—and only 1.7 million of America's 6 million farm operators spend as much as \$600 per year for labor—has an interest in this plan, for he and his sons frequently work on other farms for wages whenever they can be spared from the home place.

Simplified Administration

From the outset, farm people were excluded from the social security program largely because it seemed wiser to the Congress to begin with groups that could be included more readily, and to bring farm people in only after experience had been acquired in administering the program for industrial and commercial workers. Time was needed also to work out plans for meeting the special conditions found in agriculture. Eight years of experience have now been accumulated, and answers have been found to the special problems of bringing farm people under the program.

The most important problems involved in extending social security to farm people are those of obtaining reports of their earnings and collecting their contributions without undue cost or inconvenience. For farm operators, both these problems could be solved by making use, so far as possible, of other reports that they are already sending to the Government, such as their income-tax returns. With very little change, the same returns could be made to serve also as earnings reports for social security purposes, and the social security contributions could be sent in with the income tax payments. Farm operators who do not pay income taxes could avoid any need for keeping special records by estimating the market value of their services to their farm businesses, and paying their social security contributions on that basis. The wages they paid to their best workers, or if they had no regular workers the prevailing rate for good workers in their locality, would furnish a guide in making this estimate.

The problems of collecting contributions and obtaining wage records for farm workers are simplified by the fact that more than half of all farms employ no paid help at all. About 30 percent of the workers are employed on only 8 percent of the farms—those hiring more than 4 workers. The largest farms—those employing 10 or more—hire nearly 15 percent of the workers but comprise only 2 percent of the farms hiring labor. In 1939, farms with products valued at \$2,500 to \$10,000 annually—21 percent of the farms hiring labor—paid about 36 percent of the wage bill. In the same year, only 2.4 percent of farms hiring labor had products valued at \$10,000 or more, but these farms paid more than 30 percent of the farm wage bill.

For farm workers, several methods of collecting wage reports and contributions could be used. For regular workers on large farms, where pay-roll records are already kept, the system of pay-roll reporting now used in industry might be most convenient. For the rest—that is, for the workers on small farms and the temporary help employed during rush seasons—it might be more convenient to use a stamp plan. Whenever he paid his hands, the farmer could place special social insurance stamps in books carried by the workers. Half the cost of

these stamps would be borne by the employee. The books would be accepted by the Social Security Board as evidence of earnings, and the farmer would not need to make any report or keep any special records for the purpose.

In these ways the principal administrative problems of bringing social security to the farm would be solved simply and with a minimum of inconvenience to farmers. A number of workable proposals have also been made for adapting the technical details of the program to the needs of farmers. The chief question of that sort is how to remove the handicap that people would otherwise suffer because farm work had been excluded from the program in the past. Several ways of doing this equitably are under study by the Board. They all provide adequate safeguards for whatever social insurance rights farm people have already acquired, and make it unnecessary for them to pay contributions for their earlier periods of noncoverage.

Practical Effect of Extension

Of the farm operators, about one-fourth were 59 years of age or older at the time of the 1940 census. If the social security program is extended to agriculture in the near future, many of these operators would be able to qualify for retirement benefits, even if they now are over age 65. At current high levels of farm income, many would be eligible to retire after the war with benefits well above the minimum rate.

About one-third of the operators in 1940 were between 45 and 58 years of age. These individuals have time to qualify for benefits if the program is extended within the next few years. Some of them have worked or are now working in covered employment; extension of the program would enable them to continue building up benefit rights and to qualify for substantial benefits.

For many farm people who are under age 45, agricultural coverage would be more a continuance of participation than an introduction into a new system, especially if service in

the armed forces were also covered by social insurance. A larger proportion of this group than of the older workers had some covered employment even before the defense and war booms. The need for retirement benefits is not so immediate for this group, but the advantages of protection for their dependents in case of their death are clear. These younger families would benefit particularly from an insurance program covering the cost of medical care.

The question of social security is, of course, only one of the many problems facing farmers when the war is over. The return of the American economy to a peacetime basis will bring with it many questions demanding earnest attention. But if the farmer can be assured, on a self-respecting insurance basis, of basic minimum security against the risks of illness, disability, premature death, and old age, he and his family will be better prepared to meet the uncertainties of the post-war future and to maintain their traditions of independence and self-reliance.

Economic Factors in Long-Range Cost Estimates of Old-Age and Survivors Insurance

By Michael T. Wermel*

UNDER THE PRESENT system of old-age and survivors insurance, the annual expenditure for benefits is expected to rise steeply for many years, as the result of the rise in the number of beneficiaries and in average benefit payments. Both these increases will occur whether or not coverage is extended or benefit and eligibility provisions are liberalized.

The planning of the financing of these mounting future costs of benefits raises many questions of legislative policy. No other aspect of old-

age and survivors insurance is likely to present more serious pitfalls. "In the history of social insurance throughout the world," said the Chairman of the Social Security Board in a recent statement before the Senate Committee on Finance, "the major difficulty of social insurance systems has been the lack of adequate financing of old-age retirement benefits."¹

Often the framers of retirement systems have failed to understand the importance of making advance financial provision to meet the heavy benefit load which develops only after some decades of operation. As a result, if benefit expenditures begin to outrun receipts from contributions, the legislature is faced with the diffi-

culty of making large unexpected increases in contribution rates, providing a contribution out of general tax revenues, or reducing benefit amounts, or some combination of these possibilities.

Even when the requirements of sound financing are recognized in principle, determination of the specific provisions necessary to give effect to this financial policy involves many difficult decisions. To forecast future disbursements of an old-age and survivors insurance system,² estimates must extend over several decades and over a variety of demographic and economic factors whose future trends cannot be foreseen with any degree of assurance. For example, changes in birth rates, mortality rates, age distributions, family composition, and other similar elements, which are basic in determining the size of the covered population and the number of beneficiaries, cannot be predicted with certainty for a half

*Bureau of Old-Age and Survivors Insurance, Analysis Division. The author acknowledges his indebtedness to Ensign Mason C. Doan (SC), USNR, and to George H. Trafton, of the Analysis Division, for assistance in preparing this article, and to studies in this field by William R. Williamson, Actuarial Consultant to the Board. The article immediately following discusses long-range actuarial factors in costs of this program.

¹Freezing the Contribution Rates of the Federal Old-Age and Survivors Insurance at 1 Percent for 1944; Hearings Before the Senate Committee on Finance (78th Cong., 1st sess.), revised Oct. 14-15, 1943, p. 10.

²Such forecasts are required under the provisions of section 201 (b) of the Social Security Act Amendments of 1939. See the Annual Reports of the Board of Trustees of the Old-Age and Survivors Insurance Trust Fund.

century or more.³ It is even more difficult to forecast trends in such economic factors as wage levels and employment patterns, upon which depend not only the size of benefits to be paid but also the amount of contributions under the insurance system.

Uncertain as these forecasts must be, they cannot be avoided in old-age insurance, in which benefit rights accrue over many years. Legislators and administrators responsible for the adoption and operation of such a system inevitably make decisions based on tacit, if not stated, assumptions as to future trends in receipts and disbursements. Because of the serious dangers of unsound financial planning, careful administrators therefore are bound to explore as fully as possible the factual and analytic basis for those decisions.

Partly as a result of their significance in private insurance, the demographic factors in actuarial forecasts have been explored in considerable detail. The problems involved in estimating future trends in birth and mortality rates have been fairly well defined. Economists, on the other hand, have seldom attempted to analyze the elements entering into an estimate of trends in employment and earnings over a half century.⁴ This hesitation to deal with trends extending for so long a period is entirely understandable, since present data and analytical techniques do not provide the means of forecasting such trends with any degree of certainty. Even for much shorter periods, say of 5 or 10 years, predictions as to the behavior of the many factors affecting employment and earnings are likely to prove far from correct. Yet, in old-age and survivors insurance a recognition of such economic factors is basic to sound financial planning.

The following discussion is an effort to outline briefly the major economic considerations that will affect future income and disbursements under the system. Quantitative conclusions

are not attempted. In fact, some of the factors which must be taken into account, such as institutional changes, cannot be measured.

In estimating the receipts of the old-age and survivors insurance system, the basic considerations are the tax rate and the total taxable pay roll, which depends on the number of workers in covered employment each year and on their annual taxable earnings. In estimating disbursements, the basic economic considerations are the individual employment and earnings patterns of all covered workers, which determine the number of insured workers and the earnings of individual insured workers, which in turn determine benefit amounts. Thus, the principal economic factors involved in cost estimates may be grouped for analysis under two main headings, "employment" and "earnings."

Employment

Population.—Fundamental to any long-range estimates of income and disbursements are forecasts of the size of future populations, the number of persons in the labor force, their age and sex characteristics, and the size and composition of families in which they will be grouped. Our aged population has been growing progressively and, as the proportion of children declines, may be expected to have a relatively greater number of persons in the labor force. The average age of workers has also been increasing, a fact which in itself may tend to increase the average wage. Because families are gradually becoming smaller, fewer women are responsible for the care of small children; this change increases the number of potential workers and tends to lower the average wage. All these factors are vital to estimates of income. On the other hand, the age composition of the labor force and the family composition of the population are also vital to estimates of future disbursements.

Labor force.—The number of persons employed is limited more strictly by the labor force—the total number of persons able and willing to work—than by the total population. The relative size of the labor force, expressed as a percentage of population, is not static. It shows seasonal, cyclical,

and secular variation, as well as pronounced changes during major wars.

Usually the seasonal peak in the labor force comes in midsummer and the low point in January or February. In cyclical variations, there seems to be a tendency for the labor force to expand when business conditions are either very good or very bad. Persons not usually in the labor force are presumably induced to go to work in boom times because it is easy to get jobs at good pay, and they are compelled to seek work during deep depressions because the earnings of the main family breadwinner are inadequate.

In the past, the secular increase in the relative size of the labor force has resulted mainly from immigration and the large increase in the percentage of women gainfully employed. At the same time, the lengthening of the normal period of childhood, increased schooling, child-labor legislation, technological changes, and the decline in the birth rate have cut down the relative number of children employed, though not enough to offset the increase in the number of employed women. Although proportionately more women may be gainfully employed as a result of the war, the increase over the next 50 years may not be as great as it has been over the last 50 or 60 years. The size of the labor force, therefore, is subject to such dynamic fluctuations that a census based on the situation during a single week cannot represent accurately even the year in which it is taken.

Coverage.—The provisions of the Social Security Act, as well as the occupational distribution of the employed labor force, determine the proportion of the labor force in covered employment at any time. As long as coverage is incomplete, there will always be some shifting between covered and noncovered employment.⁵

³ For a fuller discussion of demographic factors, see Williamson, William R., "Cost Factors in Old-Age Insurance," *Social Security Bulletin*, Vol. 1, No. 7 (July 1938), pp. 3-15.

⁴ For an approach to the problem, see Woytinsky, W. S., "Long-Range Trend in Per Capita Income and Wages," *Social Security Bulletin*, Vol. 5, No. 12 (December 1942), pp. 31-39.

⁵ Among the various *Bulletin* articles on this problem, see especially Murray, Merrill G., and Wermel, Michael T., "Movement of Workers Into and Out of Covered Employment, 1937 and 1938," Vol. 4, No. 2 (February 1941), pp. 12-16; Slomin, Herman, "State and Regional Differences in Covered Employment and Taxable Wages, 1939," Vol. 5, No. 1 (January 1942), pp. 35-44; Bronson, D. C., "Wartime Federal Civilian Employees and Old-Age and Survivors Insurance," Vol. 5, No. 7 (July 1942), pp. 28-32; and Safer,

Experience has provided some basis for estimating the "in-and-out movement" under present coverage. If coverage were universal, this problem would of course become restricted to movements between employment and unemployment.

Short-term covered employment and unemployment.—Short-term covered employment is of two kinds: that caused by high employment peaks in seasonal industries, such as canneries and pre-Christmas retail trade, which usually draw upon housewives, students on vacation, and others not normally in covered employment; and that caused by the slackening of work in regular year-round industries. For persons regularly in the labor force, short-term employment means part-time unemployment.

In the depths of the depression in 1933 the number of unemployed persons was estimated at 16 million. In the week of March 24-30, 1940, when business conditions were fairly good, about 8 million persons were either looking for jobs or else engaged on emergency work created by the Government. Even now, in the midst of labor shortages created by the demands for full-scale war production, there are still about three-quarters of a million unemployed persons. This "frictional unemployment" consists almost entirely of persons in the process of switching from job to job, and will always be a factor as long as employees change jobs. Unemployment, in such instances, is usually very brief.

The average duration of unemployment is much longer in peacetime than in war, not only because jobs are scarcer but also because the individual has more difficulty finding the kind of work for which he is fitted and the working conditions he prefers. The problem is intensified by technological unemployment. While technological advances may result in upgrading some men, the usual course is a downgrading from skilled to semi-skilled and to some extent to unskilled status, with only intermittent jobs for the larger body of workers who have been laid off. These dis-

placed workers must face unemployment for much longer periods because their skills are no longer of value; and they must adjust themselves to other lines of work, generally at lower rates of pay. A realistic long-range estimate of unemployment in industries covered by old-age and survivors insurance must allow for normal frictional unemployment, as well as technological, and undoubtedly some volume of cyclical, unemployment.

Effect of employment conditions on retirement.—The large number of insured workers aged 65 and over who have not retired, and the substantial number who had retired but now have returned to work, illustrate the effect of employment conditions upon this aspect of disbursements. There will always be some eligible workers who prefer to work while they are able, rather than to retire, and this number can be expected to reach substantial proportions during the expansion phase of the business cycle.⁶ The effect of business expansion upon the rate of retirement will be to slow down disbursements, both absolutely and as a percentage of pay rolls. Conversely, disbursements will rise in times of depression.

Earnings

To be useful for estimating disbursement and income under the present old-age and survivors insurance system, estimates of earnings must be in terms of the distribution of workers by amount of annual earnings in covered employment. The component elements of such earnings are money wage rates and length of time worked in a year. Some of the important forces influencing the movement of these elements are common to both, but others are not. It is therefore desirable to analyze them separately.

Money wage rates.—Money wage rates are a "price" element in the economy; they are therefore influenced to some extent by all the forces affecting the movement of prices. Some of these forces are "local," in that they bear mainly on money wages

of all workers or of particular groups; other, and by far the most important, forces are general, in that they affect the economy as a whole and practically every element in it. There is, of course, a complex interaction among the forces affecting the whole economy, but for purposes of analysis they must be treated individually.

Major wars.—One of the most important influences on the level of money wages in the past has been the situation produced by major wars. During and immediately following each previous major war, the level of money wages, like the general level of prices, has risen greatly as a result of both inflationary war finance and the shortage of labor created by the recruitment of armies and the production of war goods on a large scale. But, unlike the general level of prices, the level of money wages has never returned after a major war to anywhere near the pre-war level, mainly because of increased productivity of labor and the collective bargaining agreements between labor unions and employers. As a result, the general level of money wages has been increasing since the Civil War.

This experience is being repeated during the present war. Average hourly earnings have already risen almost 50 percent above the pre-war figure. Although this rise has been due in a large measure to widespread overtime work and to the upgrading of many workers, it also reflects a considerable increase in basic hourly wage rates. If Government wage controls are relaxed immediately after the war, and if an inflationary boom develops, average hourly earnings may continue to rise. The level of money wages after the war will provide a new base line from which to project actuarial estimates and about which the other forces influencing money wages will play.

Cyclical and other fluctuations in the price level.—Although the movement of money wage rates is comparatively sluggish outside of war periods, the level of money wages does change from time to time between wars. Since the end of the Civil War, wages have usually fluctuated during such periods in fairly close relation to the price level, lagging somewhat behind in time and amplitude of movement. Money wages have declined in each

Fred, Useem, John, and Quinn, Walter, "Farmers and Farm Laborers in Employment Covered by Old-Age and Survivors Insurance," Vol. 6, No. 6 (June 1943), pp. 18-24.

⁶ Third Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund, Senate Committee Print, 1943, pp. 10-13, tables 4-6.

severe depression and have risen afterward as the general price level recovered. During periods in which the movement in the price level was not marked, such as 1898-1914 and 1923-28, the level of money wages moved in harmony with the general level of prices. It seems fairly clear from the history of the last 60 years that money wages cannot move for any extended period out of step with the price level.

It is therefore of the utmost importance that explicit assumptions be made concerning the movement of the price level during the period to be covered by the actuarial estimates. Such assumptions should take into account cyclical fluctuations as well as the secular movement of the price level.

Periods following great wars in the past have usually been seriously affected by the inflationary financing of Government operations during the wars. The present war also is being financed partly, though not entirely, by borrowing from commercial banks, a method which is potentially inflationary. After the great wartime dearth of durable consumer goods and certain types of capital goods has been met, some time after the war, there will be the possibility of a severe economic depression. Moreover, large segments of the economy, such as agriculture, may have great difficulty in adjusting to the changed economic situation, and this, too, may have repercussions throughout the economy. In view of the magnitude of the adjustment required, a very substantial part of the 20 to 30 years following the war may be seriously affected by developments arising out of the war.

As will be indicated below, Government economic policy will be especially important in the post-war period. Precisely what this policy will be and how effective it will be is of course unknown. Nevertheless, if actuarial estimates are to be made for this period, all these possible developments must be taken into account.

Increase in productivity of the economic system.—The great increase in the productivity of the economic system during the last century has enabled hourly and weekly money wages to increase in relation to the price level, and at the same time allowed hours of work per week to be greatly

reduced. Productivity seems likely to increase even more rapidly in the future, but the effect of this rise on the level of money wages is by no means known. Money wages sometimes have remained stable for fairly long periods while the productivity of labor was increasing; at other times, money wages have outstripped productivity. There is no obvious simple harmonious relationship between these two elements. Therefore, to attempt to estimate the future movement of money wages on the basis of probable changes in productivity, without regard to the other forces affecting the economy, would be quite unsatisfactory.

Changes in the structure of the covered labor force.—Money wage rates vary widely by industry, by occupation, by size of firm, by geographical area, by degree of union organization, and by age, race, and sex composition of the labor force. Any average rate representing the general level of money wages for a particular period of time is, therefore, a composite summarizing many varying rates weighted according to the number of workers paid at each rate. Changes in the average from time to time, therefore, may result from changes in the composition of the industrial labor force as well as in the general level of money wage rates.

It is virtually impossible, however, to isolate the effects on money wage rates of the many different changes in the composition of the industrial labor force in the past 80 years, and to distinguish these changes from those associated with movements of money wage rates. Some of the changes in the composition of the labor force have tended to increase the average wage rate, while other changes going on at the same time tended to reduce it.

An example of the former is the increase in the number of workers employed by large firms, which generally pay higher wage rates than small firms. Examples of changes which have tended to reduce the average are the large increase in the relative number of women workers, whose average rates of pay are 35-45 percent less than those of men, the increase in the number of semiskilled workers at the expense of skilled workers, and

the growth of industry in the South, where rates of pay are lower than in the North and West.

In forecasting changes in money wage rates, any changes in the composition of the covered labor force which can be anticipated should, of course, be taken into account. Perhaps the relative number of women and of older workers will continue to increase. It seems likely, however, that the most important change, and one which would have a considerable effect on the level of money wages in covered employment, is the extension of coverage to agricultural and domestic workers and possibly to the self-employed.

Institutional changes.—Of the many institutional changes since the Civil War, three are of particular importance. The first is the gain in strength of labor organizations; the second, the increasing participation of the Federal Government in economic policy; and the third, changes in the policies of industrial management.

In the years just preceding the outbreak of the present war, the labor movement attained a strength and status never before achieved in this country and had considerable power to influence national economic policy. Since this power seems firmly held, the influence of organized labor on money wage rates during the post-war period cannot be neglected. It can be assumed that labor organizations will maintain a constant upward pressure on money wage rates, by resisting reductions in time of depression and by demanding increases in time of prosperity. Whether this pressure can overcome the opposing forces acting on the price level may be questionable, but probably it can at least cause wage rates to lag farther behind prices on the downswing and to follow them more closely on the upswing.

Government economic policy, even in its early negative form, has always exercised some influence on economic events. The "sound money" policy after the Civil War, for example, was unquestionably an important element in the 25 years' deflation between the early seventies and the late nineties. Beginning in 1933, the Federal Government became a much more active participant in economic affairs. The

important change at that time was the assumption by the Government of a more definite responsibility for the economic welfare of individuals. There was scarcely an economic group or interest which did not receive assistance in one way or another from the Government.

During this war, too, Government economic activity has been vastly expanded. Although the extent of Government control undoubtedly will diminish after the war, it seems very likely that the Federal Government will continue to play an active part in economic affairs. This probability complicates rather than simplifies economic forecasting, because of uncertainty as to what measures will be adopted and prove effective. There is no doubt, for example, that the Government can greatly mitigate the impact of depressions, but there is as yet no assurance that it can prevent them. Nevertheless, the likelihood of Government activity must somehow be taken into account in forecasting money wage rates.

A third institutional change, that in management policies, also bears on the question. For various reasons, the time has passed when wage policies of the largest employers will run exclusively in terms of the lowest money wage rates possible, as was usual not so many years ago and is still common in certain highly competitive industries. Increasingly, business executives are recognizing that low wage rates do not necessarily result in low labor unit costs and that frequently sound management combined with higher money wage rates will in fact lower unit costs. Emphasis, therefore, has been gradually shifting to more progressive labor management and to wage incentives as a means of reducing labor turnover and stimulating labor productivity.

Coincident with this change in the philosophy of management, there has been a significant increase in the size of employing organizations. This trend has given additional impetus to a "scientific" wage policy. Such a policy, although it has by no means spread to the many small firms in competitive industries, will probably have some influence, together with that of labor organizations, in retarding the decline of wage rates during a period of deflation.

Time worked.—Variations in amount of time worked, as well as in money wage rates, have an important influence on average annual earnings. In the past such variations have been of two main types: the downward secular trend in regularly scheduled hours of work per week; and the variation in hours of work per week and in weeks worked per year associated with seasonal and cyclical fluctuations in business activity and other causes of unemployment. Both types of variation must be considered in any forecast of annual earnings.

Between 1840 and 1940 the standard workweek was reduced from 6 days of 12 hours each to 5 days of 8 hours, and by 1940 the basic 40-hour week had been written into Federal law. This reduction can be attributed mainly to the increase in the productivity of labor, the efforts of organized labor, and, in the years following the 1929 depression, to spread-the-work sentiment.

Hours of work have increased during the war, but this increase is only temporary. There is every reason to believe that the forces leading to the reduction in hours in the years before the war will come into play again after the war is over. Organized labor has already indicated the 6-hour day and the 30-hour week as its new goal, and a number of union wage agreements already stipulate the 30-hour week as a normal workweek. Thus, it seems likely that any future increase in labor productivity will be partly absorbed by shorter hours of work, and that any increase in average hourly earnings will be offset to some extent by this reduction in time worked.

Although adequate data are not available on the extent of short-term employment and unemployment even in recent years, there can be no question that the annual earnings of industrial workers have been substantially reduced from time to time by this cause. Even in a "normal" year there is a certain minimum amount of frictional and technological unemployment, and in a severe depression a very substantial portion of the covered labor force may be unemployed for varying periods of time.

Severe depressions occurred in the 1870's, the 1890's, and the 1930's, and a number of minor ones in the intervening years. It is possible that the

average annual earnings of industrial workers dropped more than 50 percent between 1929 and 1932. Since average hourly earnings dropped only about 21 percent in this period, much of the reduction in annual earnings must be attributed to unemployment and to reduction in hours of work, which fell from more than 44 per week in 1929 to 38 in 1932. As a result of the business recession, the average annual earnings of covered workers in 1933 were about 7 percent less than in 1937, while average hourly earnings actually increased slightly.

As was remarked previously, there is absolutely no assurance, despite the expanded powers and responsibilities of the Federal Government, that cyclical fluctuation in business activity can be avoided in the future. It seems quite imperative, therefore, in estimating earnings covering a long period ahead, to make some allowance for the effects of cyclical unemployment.

Conclusion

This brief analysis indicates the complexity of the economic factors which must be taken into account in long-range estimates of income and disbursements under old-age and survivors insurance. Because of this complexity and the lack of necessary data, there has been a tendency in the past to base long-range estimates of employment and earnings on the mechanical extrapolations of single statistical series. This tendency has been particularly pronounced in estimates of earnings, whether through the use of a single figure for average annual earnings for the entire period of the estimate or by the use of an annual average wage increased by a uniform percent each year. These solutions to an obviously difficult problem cannot be regarded as altogether satisfactory.

There is an alternative approach to the problem which may be called "analytical," as distinguished from the mechanical approach just described. This method requires explicit assumptions as to the future status of the important factors influencing the basic statistical series before these series are projected into the future. In this way, past experience can be taken into account without the tacit, and probably erroneous, assumption

of an exact repetition of this experience.

In the past, for example, major wars have had a very important influence on the level of money wages. But if it were to be assumed that no major war would occur during the period covered by the estimates, it would be improper to base an estimate of future earnings on a mechanical extrapola-

tion of past experience which had been greatly influenced by previous wars. Moreover, now that data on employment and earnings covered by old-age and survivors insurance are available in considerable detail, differences based on age and sex can be taken into account.

The analytical method cannot be expected, of course, to provide a sure

insight into the future. Its advantage is that it attempts to give due weight individually to the important elements bearing on the problem. Although this approach involves a detailed and laborious procedure and must necessarily result in alternative sets of assumptions and estimates, it seems the most realistic in view of the complexities of the problem.

Actuarial Factors in Old-Age and Survivors Insurance*

CERTAIN BASIC COST FACTORS must be continuously recognized in analysis of the costs of the old-age and survivors insurance program. These factors include: (a) population; (b) mortality; (c) family composition; (d) number of years of credited employment prior to qualification for benefits; (e) remarriage of widowed beneficiaries; (f) employment of widowed beneficiaries, older children, and aged; and (g) income in covered employment and its distribution among calendar quarters (as affected by a changing workweek, changing productivity, effectiveness of collective bargaining, long-term trends, cyclical changes, and so forth).

Population

Population development depends upon the progress of the existing population as changed by future births and immigration and by future deaths and emigration. The 1940 census showed some 600,000 more persons aged 65 and over than had been indicated as probable from an examination of the 1930 census and the deaths and migration between the two censuses. It is also thought that the familiar underregistration of children has continued into the 1940 census. The Bureau of the Census has made comprehensive reports as to the many types of error and bias believed present in the latest enumeration.

Birth rates declined for a number of years, because of the increasing percent of the population completely

above the childbearing ages, the increasing proportion at the higher ages where childbearing is less frequent, and changed attitudes toward the size of the family. However, the long decline of birth rates lasting into the thirties has been reversed since 1937. There also appears to be a marked increase in the rate of first births, tending to increase the proportion of the insured population with dependents. This increases the amount of insurance for survivor benefits under old-age and survivors insurance. The diminution in the proportion of large families has had only a limited effect upon benefits under this program, since aggregate benefits for a family are not increased for children beyond the fourth child in the absence of a mother drawing benefits, or beyond the third child with the mother drawing benefits.

Immigration, which had been heavy up to the end of the nineteenth century and rather intermittent in the early portion of the twentieth century, was definitely checked in the 1930's, and most population forecasts have assumed that no return to the old immigration rates may be expected.

Another population factor to be considered is that of emigration. The war has already led to one type of emigration of considerable magnitude members of our expeditionary forces did not return but continued to live as private individuals in the countries where they had been stationed did not return but continued to live as private individuals in the countries where they had been stationed during the war. There is continuous discussion concerning the extent of

the manpower requirements of the Allied Military Government and the use of American technicians in many countries of the world after the war. The 1943 report of the National Resources Planning Board on future population development gives certain adjustment figures to recognize the effects of the war. Extensive analysis of this and similar material will be made over the next few years. It will call for continuous adjustment in cost estimates.

The possible future progress of the population has been indicated in two different reports:

1. The 1935 report prepared by the staff employed by the Committee on Economic Security in developing long-range cost estimates for the original program of old-age benefits.
2. The National Resources Committee's report on future population trends issued in 1938. The actual experience from which projections were made in that report did not go beyond 1936.

In the light of the as yet unpredictable population results of the war, it has seemed well to retain in the low cost assumptions the rather cautious population forecast made by the staff of the Committee on Economic Security as representative of one reasonable rate of growth. At the same time, the National Resources Committee's medium population forecast of 1938,¹ which has been used in other studies, seems suitable as an indication of the potential increase under high cost assumptions. Table 1 indicates the two assumptions used as to population growth for the group aged 20-64, in-

*Prepared in the Office of the Actuary for the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund.

¹A new report of the National Resources Planning Board, dated August 1943 and entitled *Estimates of Future Population of the United States, 1940-2000*, was published at the end of 1943.

clusive, and the group aged 65 and over.

It is not believed that future population progress is exactly represented by either of the two series used. The striking sequence of depression, recovery, recession, and war, with tremendous unsettled influences throughout the world, leave doubtful in any nation the future trends of mortality, fertility, or migration. The figures shown in table 1 represent two possible developments. Because both series have been used for some time and because the detailed 1940 census data and the National Resources Planning Board population study of 1943 have not yet been adequately adapted for cost purposes, use of these older bases has been continued in this report with both series extended from their terminal year of 1980 to the year 2000.

Mortality

Mortality rates by age and sex have been steadily improving since the turn of the century for both sexes and virtually all ages up to 60, with very little change at ages above 60. Both the National Resources Committee study of 1938 and the National Resources Planning Board study of 1943 make assumptions of a future improvement in mortality as plausibly indicated by the past history of mortality improvement. In the low cost assumptions discussed in this section, very little improvement in mortality rates is assumed. In the high cost assumptions some improvement is assumed, but their assumption of improvement beyond age 65 is be-

Table 2.—Old-age insurance recipients of monthly benefits in selected years, 1955–2000

[Thousands of persons]						
Calendar year	Male primary beneficiaries	Female primary beneficiaries	Wives of primary beneficiaries	Children of primary beneficiaries	Aged widows	Dependent parents
Low assumptions						
1955.....	1,300	200	400	60	450	80
1960.....	1,700	350	550	80	750	110
1980.....	3,700	1,100	1,100	160	2,300	130
2000.....	4,500	1,400	1,400	170	3,300	130
High assumptions						
1955.....	1,800	250	600	85	450	140
1960.....	2,500	450	850	100	800	200
1980.....	5,700	1,500	2,100	250	2,600	300
2000.....	8,400	2,500	3,400	300	4,500	250

lieved by many to be too optimistic.

Mortality is of major importance for estimates of future benefits for the aged, and of importance also in determining potential deaths among the younger fathers which will give rise to mothers' and children's survivor benefits. Studies are still under way, both in the Social Security Board and in the Bureau of the Census, as to what current mortality rates may be after allowing for corrections of errors and bias in the most recent census; and following these there will be further studies along the line of the recent National Resources Planning Board's mortality forecasts. Such remarkable developments as insulin, penicillin, the sulfa drugs, and other more recent discoveries carry potential mortality improvements, particularly at the middle and higher ages, which may yet justify the lighter mortality assumed in the high cost illustrations.

Family Composition

Births have significance for old-age and survivors insurance costs, not alone because of their importance in building up the population of the future but also because the system provides an orphaned child under the age of 18 with one-half of a primary benefit and a widowed mother with three-fourths of a primary benefit so long as she has children in her care. The maximum benefit payable to a family is twice the primary benefit. Thus, the distribution of families by size is of importance in determining the extent of prospective benefits.

The early claims experience is probably not typical because of lags in getting under way and the sequence of falling and rising birth rates over the last dozen years. During the next few years, as a result of the currently increased birth rate, a smaller proportion of nonchild families and a change in the distribution of orphan children by age are expected.

It is also important to consider the trends in those deaths which terminate husband-wife families, the trends in divorce which have the same effect, and determinations as to what constitutes a "separation" of spouses to be recognized under the law. Important also are the age relationship between husband and wife and the differential mortality by sex and by marital condition. Experience has shown that at almost all ages women have a lighter mortality than men and that the mortality of married persons is significantly lower than that of single or ex-married persons. The large proportion of marriages in which the wife is younger than the husband results in a predominance of termina-

Table 1.—Estimated population of United States aged 20–64 and 65 and over in selected years, 1955–2000

[Thousands of persons]

Calendar year	Ages 20–64			Ages 65 and over		
	Total	Men	Women	Total	Men	Women
Low assumptions (Committee on Economic Security)						
1955.....	88,400	44,100	44,300	12,200	6,000	6,200
1960.....	89,400	44,600	44,800	13,600	6,600	7,000
1980.....	90,600	45,600	45,000	17,000	7,900	9,100
2000.....	87,400	44,100	43,300	18,200	8,600	9,600
High assumptions (National Resources Committee, medium estimate)						
1955.....	88,200	43,900	44,300	12,800	6,200	6,600
1960.....	89,500	44,600	44,900	14,800	7,100	7,700
1980.....	91,600	46,300	45,300	22,100	10,400	11,700
2000.....	90,800	46,300	44,500	26,400	12,800	13,600

Table 3.—*Young survivor insurance recipients of monthly benefits in selected years, 1955–2000*

[Thousands of persons]

Calendar year	Low assumptions		High assumptions	
	Orphaned children	Widowed mothers	Orphaned children	Widowed mothers
1955.....	1,200	300	1,100	250
1960.....	1,400	350	1,200	300
1980.....	1,600	400	1,200	250
2000.....	1,600	400	1,200	250

tions of marriage by the husband's rather than the wife's death. Further studies concerning these various factors are planned in order to secure a more complete understanding of the relationships.

Thus, the three elements of population, mortality, and family composition constitute the warp and woof for estimates of future potential beneficiaries, with the other influences discussed below forming the specific patterns of beneficiaries.

Old-age insurance beneficiaries are composed of several different types of recipients. Table 2 shows the various illustrative rates of progress in the number of beneficiaries, distinguishing between male primary beneficiaries, female primary beneficiaries, wives of male primary beneficiaries, children of primary beneficiaries, aged widows of male primary beneficiaries or of deceased covered employees, and "wholly dependent" aged parents of deceased covered employees without widows or children.

Whereas old-age insurance beneficiaries make up the bulk of the prospective recipients under old-age and survivors insurance, the young survivors composed of half-orphaned and full-orphaned children and widowed mothers of the former will be re-

sponsible for a considerable amount of benefits. Table 3 lists the two groups separately for inspection and for comparison between the high and low examples. The smaller numbers of child and mother beneficiaries under the high assumptions result from use of the National Resources Committee population projection which assumes lighter mortality and contracting family size.

Credited Employment and Insured Status

The number of persons who gain protection through becoming "insured" under old-age and survivors insurance depends upon the volume and pattern of their work in employments covered by the program and upon the amount of taxable wages earned in such work. A discussion of the latter factor is presented in a later section. The old-age and survivors insurance program covers primarily employees in industry and commerce. Illustrations are presented in table 4 showing the percentage of the population insured by virtue of current or previous work experience for age groups above and below 65.

The percentages shown in table 4 for ages 65 and above include primary beneficiaries drawing benefits to the extent shown by table 5, which indicates the proportion under both low and high assumptions.

The proportions of the population shown in tables 4 and 5 are derived from application of the coverage and insured status specifications of old-age and survivors insurance to the end results of qualification through a sufficient number of quarters with a covered wage of at least \$50.

In the several tables presented

Table 5.—*Percent of the population aged 65 and over receiving primary benefits (excludes women eligible to receive benefits as wives, widows, and parents)*

Calendar year	Low assumptions		High assumptions	
	Men	Women	Men	Women
1955.....	22	3.5	20	4
1960.....	26	5	35	6
1980.....	46	13	55	13
2000.....	52	14	66	14

above, only potential long-range trends have been set down without recognition of cyclical or periodic irregularities. Bearing this in mind, certain trends may be observed in these illustrative tables of numbers of beneficiaries:

1. An over-all uptrend in beneficiaries under all types of old-age benefits—save in the relatively unimportant case of dependent parents;
2. A very slight increase after 1960 in the number of children and the widowed mothers who are beneficiaries;
3. The relatively and increasingly small proportion of survivor benefits in relation to old-age benefits;
4. The relatively rapid advance in the percent insured at age 65 and over (including those drawing benefits) when compared with the percent insured aged 20–64, inclusive; and
5. The rapid rise in the percent drawing primary benefits from 1955 to 1980, and the slowing down of the increase in the percent in the following 20 years.

Remarriage Rates

Remarriage of "young widows" is a rather important cost factor. The greatest possible duration of benefits occurs among the younger widows, who as mothers of young children can expect to receive benefits for many years. These are also the women with the greatest chance of remarriage. Among the older women with fewer prospective years of benefit receipt (their children being nearer age 18), the probability of remarriage is lower. Remarriage rates are affected both by age of widow and duration of widowhood. Use of these rates results in considerable reduction in the prospective cost of benefits to young widows. It also results in considerable reduc-

Table 4.—*Percent of the population insured¹ under old-age and survivors insurance in selected years, 1955–2000 (including primary beneficiaries)*

Calendar year	Low assumptions				High assumptions			
	Men		Women		Men		Women	
	20–64	65 and over	20–64	65 and over	20–64	65 and over	20–64	65 and over
1955.....	54	30	18	5	64	34	22	5
1960.....	56	34	19	7	66	40	24	7
1980.....	59	54	21	18	71	60	30	19
2000.....	60	60	21	21	71	71	32	32

¹ "Insured," as distinct from "covered," means sufficient participation in covered employment to have become eligible for benefits upon death or retire-

ment; a person may be "covered" (i. e., with past or current wage credits) without having reached or maintained an "insured" status.

Table 6.—Average taxable wages of workers with taxable wages under old-age and survivors insurance, by year and sex, 1937-43

Calendar year	Average taxable wage		
	Total	Men	Women
1937.....	\$901	\$1,042	\$541
1938.....	834	961	507
1939.....	881	1,016	536
1940.....	934	1,078	556
1941.....	1,023	1,197	581
1942 ¹	1,143	1,349	649
1943 ¹	1,310	1,589	753

¹ Preliminary estimates.

tion in the deferred portion of benefits otherwise payable to widows upon reaching age 65. This serves as a tangible reduction in the volume of "life insurance" afforded by the program, when such "life insurance" is interpreted as the present value, in case of the worker's death, of prospective benefit payments to his surviving dependents. It is estimated that at the present time the program is providing approximately \$50 billion of "life insurance" protection for survivors.

Employment of Beneficiaries

During the depression, it is probable that many children who should have been in school were working. Moreover, the labor market was increased by many married women seeking employment to supplement what they hoped might be only a temporary inadequacy in their husband's income. During the war years a very large group of elderly persons have acquired eligibility for benefits under old-age and survivors insurance. Many of these, after receiving some benefits, have returned to work and suspended their benefits. There are also many instances where covered employees have announced their intention to retire but have postponed retirement. The greatest proportion of those eligible, however, have shown no evidence of intention to retire. The abnormal work opportunities are also shared by older children, by widowed mothers, and by aged wives of potential primary beneficiaries. Thus, assumptions as to the employment of beneficiaries are indissolubly woven in with all the other cost elements entering into the number and cost of benefits.

Income in Covered Employment

One of the most striking changes in earned income on record has taken place between 1938 and 1943. Whereas a considerable group of individuals in nonwar employments have had very little change in their incomes, large groups in manufacturing have had marked increases both in their basic rates of pay and in the number of hours in their working week. Moreover, there has been a great falling off in partial unemployment with a greater stability of work from week to week. This change in income status will give a great many more persons quarters of coverage than had been the case in pre-war years. The increase in the persistency of employment and thus in the number of quarters credited results, at least temporarily, in an increase in the number of persons with an insured status—either fully or currently insured.

Assumptions as to future covered wages are essential in developing illustrative actuarial projections. The trend of wages in the past has been unquestionably of an upward character. The level of earnings at the end of the reconversion period and their movement thereafter will, of course, affect contributions and benefits under the program, since both are geared to covered earnings. Some indirect recognition of uncertainties with respect to wages is given in the adoption of low and high sets of average wage assumptions. This point is discussed further in connection with the illustrative cost chart presented below.

None of the data derived from old-

age and survivors insurance records are yet fully useful for long-range cost purposes. Average reported wages were much lower in the early years of the system than they currently are. The increase which has occurred is indicated in table 6.

The high assumptions use an average annual taxable wage of \$2,000 for men working in 4 quarters of a year, \$1,000 for men working 3 quarters, \$400 for men working 2 quarters, and \$200 for those working 1 quarter. The corresponding average wage figures used for women under the high assumptions are \$1,200 for 4 quarters, \$600 for 3 quarters, \$250 for 2 quarters, and \$100 for 1 quarter. Under the low assumptions, the 4-quarter average-wage assumption used for males is \$1,500, with \$750 used for 3 quarters, \$300 for 2 quarters, and \$150 for 1 quarter. The low 4-quarter average used for women is \$900, \$450 being used for 3 quarters, \$200 for 2 quarters, and \$90 for 1 quarter. The ratios to the annual 4-quarter averages of approximately 50 percent for 3 quarters, 20 percent for 2 quarters, and 10 percent for 1 quarter parallel fairly closely the actual ratios observable in old-age and survivors insurance wage data for 1940 and 1941.

For purposes of determining the number of employed men under the low assumption, the male labor-force percentages by age of the 1940 census, after subtraction of those seeking work, were applied to the assumed future male populations; for the high assumption, corresponding percentages from the 1930 census of gainful

Table 7.—Percentage distribution of covered workers under old-age and survivors insurance, by numbers of quarters with taxable wages, 1941¹

Classification	Total	Those with taxable wages in—			
		1 quarter only	2 quarters only	3 quarters only	4 quarters only
A. By two classes of taxable wages					
Taxable wages under \$1,000.....	100	23.1	22.0	15.9	39.0
Taxable wages \$1,000 and over.....	100	.1	.5	1.4	98.0
All workers.....	100	13.1	12.6	9.6	64.7
B. By two age groups of workers					
Workers under age 35.....	100	15.3	15.2	11.1	58.4
Workers age 35 and over.....	100	10.1	9.3	7.6	73.0
All workers.....	100	13.1	12.6	9.6	64.7

¹ Includes all persons who earned any taxable wages during the calendar year. Data partly estimated.

workers were applied, they being relatively high in comparison with subsequent years. For women, percentages of the total female population represented by the 1940 female labor force minus those seeking work were applied against the assumed future female populations for the low assumption, while the total 1940 female labor-force percentages were used for the high assumption, these being higher than those for 1930. It has been further assumed that the labor-force characteristics of those in covered employment will bear the same relation to those of all workers as existed in 1940 under old-age and survivors insurance.

Because the coverage of the system excludes several large categories of employment (agricultural, domestic, railroad, and public employment and the self-employed), there is a flow of workers between covered and noncovered employments as well as between covered employment and unemployment. The restricted coverage necessarily will result in large numbers of workers who have not had sufficient contact with the program to establish or maintain the insured status necessary for benefit qualification. The extent of contact is a function both of stability of covered jobs and of age; older persons are more settled in their work than younger persons. Table 7 illustrates differences in the extent of contact workers had with the program in 1941. Other data pertinent to this matter were presented by the Chairman of the Social Security Board in his testimony before the Ways and Means Committee of the House of January 13, 1944.²

² Hearings on an Amendment, Adopted by the Senate, to the Revenue Bill of 1943 (H. R. 3687) Freezing the Social Security Tax Rate at 1 Percent for 1944, pp. 17-18.

The carrying through of the prospective progress of the program, using the elements discussed above, furnishes reasonable illustrations of future beneficiaries and costs, neither the lowest nor the highest conceivable, the values derived being within the outside boundaries of possibility. Experience to date is very limited, the payment of monthly benefits having begun only in 1940. As payments got under way, the limitations of coverage and the insured status requirement excluded large numbers of potential beneficiaries. Payments were further delayed by the lag with which any new program commences. In recent years, as the lag has lessened, payments among the relatively small number yet eligible to receive them have been limited by delays in the claiming of benefits occasioned by the war. The long-range illustrations look beyond these various limitations, and furnish some indication of the trend in the costs of the old-age and survivors insurance program.

Table 8 sums up the previous discussion in terms of illustrative numbers of beneficiaries. The category "younger survivors" comprises orphaned children and their widowed mothers. Widows aged 65 and over are included under the "old-age" category.

It is to be noted that, in addition to the assumptions already discussed, the long-range cost illustrations include assumptions relating to the length of the period of retirement, invalidity, and interest rates.

There now follows a presentation of the illustrative cost results of combining values for the various elements discussed earlier in this section. The revised long-range cost illustrations, which are subject to continual test-

Table 9.—Two illustrations of benefit payments and tax income of the Federal old-age and survivors insurance trust fund, by quinquennial years, 1955-2000¹

Year	[In billions]			
	Low assumptions		High assumptions	
	Benefit payments	Tax income	Benefit payments	Tax income
1955.....	\$0.9	\$2.1	\$1.2	\$3.3
1960.....	1.2	2.1	1.7	3.3
1965.....	1.5	2.2	2.2	3.4
1970.....	1.9	2.2	2.7	3.4
1975.....	2.3	2.2	3.2	3.4
1980.....	2.6	2.2	3.9	3.4
1985.....	2.9	2.2	4.6	3.4
1990.....	3.1	2.2	5.3	3.4
1995.....	3.2	2.2	5.8	3.4
2000.....	3.2	2.2	6.1	3.4

¹ Subject to the limitation given in the text. See chart 1.

ing, refinement, and adjusting, are presented in the accompanying chart and in table 9. These exhibits commence with the year 1955. The gap between 1948 and 1955 is purposely left to emphasize the very great uncertainty with respect to the transition period following the war.

As indicated in the chart and table, taxes at the rate of 6 percent of taxable pay roll (the rate scheduled to become effective in 1949) would exceed benefits during the 50's and 60's under both low and high examples. This would result in increases in the funds accumulated, and the interest earnings thereon would be available later to meet a portion of the benefit payments. This could forestall, perhaps indefinitely in the case of the low example, the necessity for (i) an increase above 6 percent in pay-roll tax rates; (ii) contributions on the part of the Treasury derived from general taxes as distinct from pay-roll taxes; or (iii) liquidation of the trust fund for purposes of meeting benefit obligations when these come to exceed pay-roll contribution income. Under the high example, such interest income would substantially defer, but only defer, the time when one or more of these other sources would have to be tapped to assist in financing statutory benefits.

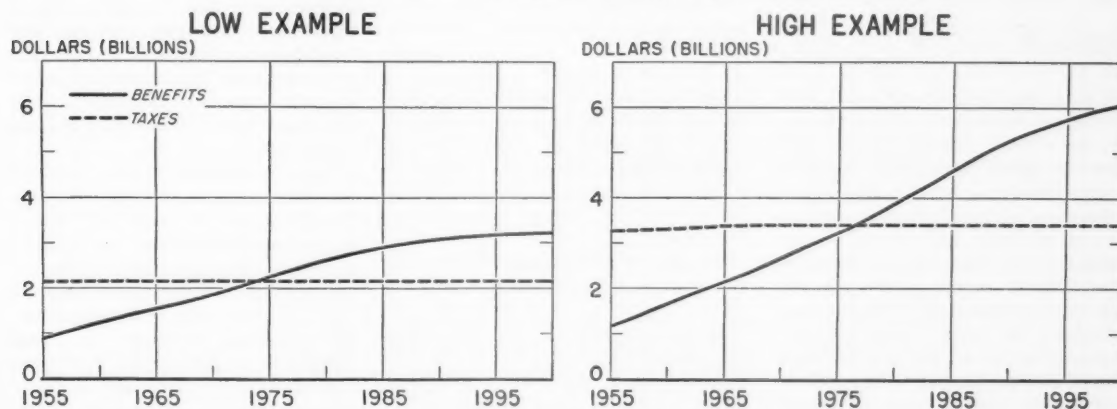
The chart shows the steady rise in benefit payments under the two widely different sets of conditions discussed earlier in this section. It shows the large increases, relatively and in absolute quantities, which would occur even after 1980, particularly within the

Table 8.—Old-age and survivors insurance beneficiaries in receipt of benefits in selected years, 1955-2000

[Thousands of persons]

Calendar year	Low assumptions			High assumptions		
	Old-age beneficiaries	Younger survivors	Lump-sum ¹	Old-age beneficiaries	Younger survivors	Lump-sum ¹
1955.....	2,500	1,500	270	3,300	1,300	270
1960.....	3,500	1,700	300	4,900	1,500	300
1980.....	8,500	2,000	550	12,500	1,400	550
2000.....	10,800	2,000	600	19,300	1,400	750

¹ Represent number of deaths during the year resulting in lump-sum benefits.

Chart 1.—Illustrative long-term trends of benefits and taxes¹

¹ Subject to the limitations stated in the text. These curves imply smoother progression than is likely to occur. The tax curves particularly would be subject to variations reflecting temporary fluctuations in employment conditions. The benefit curves would be more stable as they apply largely to permanently

retired individuals, although changes in employment conditions can have considerable influence on the rate at which persons retire. See text for fuller discussion.

framework of the high assumptions. Because of the fixed nature of the assumptions, the chart results in smooth curves and hence does not show the irregularities and periodic cyclical variations which would surely develop. These irregularities are expected to be far more pronounced in the curves pertaining to taxes than in those representing benefits. This is because the dollar amount of the benefit roll, after the system is well established, will contain a large proportion of fixed payments to permanently retired persons. The pay roll of covered workers wherefrom the tax income springs is, however, quite sensitive to current fluctuations, through increases or decreases in job opportunities, ups and downs in the workweek, and changes in unit rates of pay. Thus, the chart indicates more smoothness of income and disbursements, especially the former, and more stability in the percentage relationship of the two than actually can occur. In fact, for demographic reasons alone, as discussed earlier, the system cannot be expected even eventually to level out to a fixed relationship between contributions and benefits.

Another factor mentioned earlier but not used in the actuarial projections is the trend, exhibited in the past, of an irregular but upward movement in earnings, both on a dollar basis and in the form of real wages. If this secular trend continues, then—other things being equal—the curves of benefits and taxes would both be more steeply ascending than shown. The upward change in the tax curves, however, would be far more accentuated than would be such change in the benefit curves. There are several reasons for this, the important one being that the benefit increase would be dampened because: (i) a larger proportion of the average wage, the basis for benefits, would fall in that part of the benefit formula to which the 10-percent rather than the 40-percent rate applies; and (ii) any year's taxes are substantially based on the covered wages of that year, while any year's benefits in force are based on weighted composite wages of all previous years in which the insured persons on whose account the benefits are paid worked in covered employment, thus including in future years, wages of as much as 60, 70, or

more years previously. In view of these facts, continuation of the past upward trend in wages would postpone for a longer period, or possibly even permanently, the time at which benefits computed under the present formula would rise above taxes at the rates now scheduled.

In addition to excluding the assumption of increasing wages, the cost examples given have avoided dealing with various other important secular trends with diverse effects on costs which cannot now be adequately extrapolated into the future, such as: (i) lengthening of the period of childhood or preparation for work; (ii) an earlier age of retirement, conceivably reversible under circumstances of improved health and good employment conditions; (iii) the long-time trend of migration out of agriculture and domestic service into occupations now covered by the program; (iv) the downward trend in hours of work; and (v) the upward trend in the employment of women outside the home. Recognition of these trends is another factor, in addition to those discussed in more detail above, which prompts reservations in the use of long-range cost figures.

Duration of Unemployment Benefits, Benefit Years Ended in 1942*

FOR THE UNEMPLOYED WORKER, the number of weeks he can draw benefits in a year, together with the amount of benefits he draws per week, is of special importance. Duration of benefits is important in determining not only the adequacy of unemployment compensation but also the total cost of benefit payments and hence the solvency of unemployment compensation funds. Consideration of the duration of benefits is therefore of primary importance in planning for the post-war role of unemployment compensation.

Duration of benefits is the product of many factors. A claimant's potential duration is determined by the benefit formula in the law and his base-period earnings. His actual duration is influenced by his potential duration and his employment and unemployment experience during the benefit year. The present data for 47 States¹ relate to actual experience under various combinations of these factors in benefit years ended in 1942. A review of past experience under State laws to analyze the duration of benefits actually obtained by claimants under various combinations of these factors is a necessary preliminary to planning for the future.

Legal Provisions Affecting Duration

The benefit formula in each State law contains specific duration provisions. Two general methods are used to determine the maximum total amount payable to a claimant. Uniform-duration provisions entitle all workers who meet the financial eligibility requirements to receive a specified multiple of the weekly benefit amount in a benefit year. Variable-duration provisions limit the benefits of eligible claimants to the lesser of two amounts—a specified multiple of the weekly benefit amount, or a fraction of the total amount of the worker's earnings in covered employment in the base period.

*Prepared in the Program Division, Bureau of Employment Security.

¹Reports were not received from Alaska and Colorado; the District of Columbia report is not complete; Wisconsin data are not comparable.

Under the variable-duration provisions, potential duration is affected by the interaction of other elements of the benefit formula, such as eligibility requirements and weekly benefit amount. A worker whose base-period earnings entitled him to \$100 in benefits would receive benefits for 10 weeks at a weekly benefit amount of \$10, for 20 weeks at \$5 a week, or for almost 7 weeks at \$15. A qualifying requirement of a large amount of earnings in the base period produces relatively longer average duration than a low earnings requirement, since it eliminates payment of benefits to individuals with low base-period earnings and short potential duration. Under either type of duration provision, duration is affected for some claimants by disqualification provisions, which postpone the receipt of benefits or reduce the amount payable for claimants who are disqualified.

Ten² of the 47 States included in this study provided uniform duration for all eligible claimants whose benefit years ended in 1942; in 3 other

²Kentucky, Mississippi, Montana, New York, North Carolina, Ohio, South Carolina, Tennessee, Utah, West Virginia.

States—Georgia, Hawaii, and North Dakota—uniform replaced variable duration in the course of the year. The number of weeks of benefits provided by these 13 States ranged from 13 to 20; 8 provided 16 weeks; 3 States had more than 16 weeks, and 2 had shorter periods.

Three additional States—Maine, New Hampshire, and South Dakota—provided uniform duration for all claimants except those in the lowest base-period earnings classes, for whom duration was shorter.³ Because these States make some variation in the potential duration of eligible claimants according to base-period earnings, they are considered, for the purpose of this report, to have variable duration. In the other 31 States, eligible claimants could receive benefits ranging from $\frac{1}{3}$ to $\frac{1}{2}$ of a year's earnings, or from $\frac{1}{6}$ to $\frac{1}{2}$ of 2 years' earnings. The maximum number of weeks of benefits provided by the 34 laws with variable duration ranged from 12 in Missouri during the first 6 months of the year to 26 in Cali-

³In Maine, duration was less than 16 weeks for claimants with annual earnings of \$318.58 or less, and 16 weeks for other claimants; in South Dakota, it was less than 14 weeks for claimants with annual earnings of less than \$500, and 14 weeks for others; in New Hampshire, duration was 14 weeks for claimants with weekly benefit amounts of \$6, \$7, or \$8, and 16 weeks for others.

Table 1.—Duration provisions in effect at end of benefit years ended in 1942, 47 States,¹ by type of provision

[Maximum weeks shown in parentheses]

States with uniform-duration provisions	States with variable-duration provisions limiting benefits to—				
	30 percent or $\frac{1}{4}$ of 1 year's earnings	$\frac{1}{4}$ of 1 year's earnings	$\frac{1}{2}$ or $\frac{1}{3}$ of 1 year's earnings	Fraction of 2 years' earnings	Varying proportions of 1 year's earnings
Ga. (16) ² Hawaii (20) ³ Ky. (16) Miss. (14) Mont. (16) N. Y. (13) N. C. (16) N. Dak. (16) ⁴ Ohio (16-18) ⁵ S. C. (16) Tenn. (16) Utah (20) W. Va. (16)	Ala. (20) Ark. (16) Del. (13) ⁶ Kans. (16) ⁷ Mass. 30% (20) Nebr. (16) Nev. (18) N. Mex. (16) Okla. (16) ⁸ Vt. (14-15) ⁹ Wash. (16)	Idaho (17) Ill. (16) La. (20) Md. (20) Mich. (20) ⁴ Va. (16) Wyo. (14)	Conn. $\frac{1}{4}$ (18) ⁴ Ind. 16% (15-16) ⁴ N. J. $\frac{1}{4}$ (18) Oreg. $\frac{1}{4}$ (16) Tex. $\frac{1}{4}$ (16)	Ariz. $\frac{1}{4}$ (14) Fla. $\frac{1}{4}$ (16) Iowa $\frac{1}{4}$ (15) Mo. $\frac{1}{4}$ (16) ⁷ Pa. $\frac{1}{4}$ (13)	Calif. 54-23% (26) Maine 40-17.3% (16) Minn. 35-16% (16) ¹ N. H. 42-17% (16) R. I. 18-30% (20) S. Dak. 38-18% (14)

¹Alaska, Colorado, District of Columbia, and Wisconsin omitted because data not received or not comparable.

²Duration provisions amended during year; see table 2 for old formula.

³Maximum duration lengthened during year.

⁴Duration provisions amended during year; see table 2 for old formula. Under new provisions, if base-period wages are less than \$800, lesser of 30 percent of base-period wages or \$200; if \$800 or more, $\frac{1}{4}$ of 1 year's earnings.

⁵Law amended before this benefit year, which was transition year during which higher of 2 amounts was paid.

⁶When maximum duration changed from 15 to 16 weeks, allowable wage credits were raised from \$375 to \$400 per quarter.

⁷Duration provisions amended during year. Old formula applied to benefit years ending before June 29, 1942: 16 percent of 8 quarters' earnings, 2-12 weeks; new formula: 20 percent of 8 quarters' earnings, 8-16 weeks.

fornia. In 16 States, 16 was the maximum number of compensable weeks of total unemployment; the maximum was less than 16 in 7 States and more than 16 in 11 others (table 1).

The other provisions of the benefit formula which enter into the duration picture are summarized for 32 States in table 2. In most States, a benefit year began for an individual worker when he filed a valid claim or was unemployed for a compensable week. In 14 States, benefit years for all claimants began and ended on fixed dates specified in the law.⁴ In Indiana the benefit year was 52 weeks, or until benefits were exhausted, whichever was the shorter.

In 14 States,⁵ the duration provisions changed during the period studied. Most of the changes lengthened average potential duration, although a few resulted in shorter average potential duration because of changes in other parts of the benefit formula. For example, because the Florida qualifying-earnings requirement was changed from 60 times the weekly benefit amount to \$200, which is only 40 times the minimum weekly benefit amount, workers were eligible on the basis of smaller base-period earnings. As a result, minimum potential duration of eligible claimants was reduced from 10 weeks to 6 weeks with a consequent reduction in average potential benefits. Minnesota adopted a table of weekly benefit amounts and potential benefits based on 17 annual-earnings classes, under which only claimants in the 6 highest

classes could receive the maximum 16 weeks of benefits; this change also resulted in shorter average potential duration.

Claimants in Delaware, Florida, Illinois, Indiana, Maryland, New Hampshire, New York, Pennsylvania, Rhode Island, South Dakota, Utah, and Wyoming may now receive benefits for a longer period than is indicated by table 2.

Economic Conditions Affecting Duration

The base periods for most of the data analyzed here correspond in general to the calendar year 1940, while the benefit years are within the period from January 1941 to December 1942. In States with individual base periods, the latter part of 1939 is included in the base period for some claimants and the first part of 1941 for others, while in the few States with base periods longer than 4 quarters, 1938 is included for some claimants.

On the whole, the base periods and benefit years were characterized by generally rising employment and wage levels. Although 1940 started with a marked drop in employment, the upward swing began again in February and continued without interruption to September 1941. Average monthly covered employment in 1940 was 8 percent higher, while total wages earned in covered employment in 1940 were 12 percent higher, than for 1939. The largest relative gains in employment from December 1939 to December 1940 were in California, Oregon, and Washington, where aircraft and shipbuilding production increased sharply, and in defense centers on the Atlantic seaboard in Connecticut, Delaware, Maryland, and Massachusetts. In every State, employment and wages were higher at the end of 1940 than at the beginning.

The 1941 peak of 28.3 million employed workers, reached in September, was 18 percent above the level of September 1940. Employment decreased, however, during each of the last 3 months of 1941 as a result of material shortages, priority and curtailment orders, and conversion of plant facilities to war production. In spite of the drop, there were 27.7 million workers in covered employment in December 1941, still approximately 13 percent more than in December 1940. As

in the preceding year, every State had a higher level of employment at the end of 1941 than at the beginning. In 17 States, average monthly employment in 1941 was more than 20 percent above that in 1940, and in only 8 States was the increase less than 10 percent; Montana, with an increase of 4.5 percent, gained the least.

In the first quarter of 1942, despite a continued cyclical rise, employment levels again fell slightly during conversion to wartime activities. Covered employment decreased 1.0 percent from December 1941 to February 1942. At the end of February 1942, the total number of covered workers was 27.5 million, 830,000 below the previous peak in September 1941.

Conversion, however, was more rapid than had been generally anticipated, and in March employment began to rise again. A record high of 30.6 million workers in covered employment was reached in September 1942, and the December level was 30.2 million, 8.9 percent above that of the preceding December. All but 5 States⁶ shared in the increase in covered employment between December 1941 and December 1942. Total covered wages in 1942 for the country as a whole (\$54.8 billion) were 30 percent more than the 1941 total and in every State were higher than in 1941.

The generally favorable employment situation in 1942 as compared with the 2 preceding years was reflected in the number of eligible claimants and of beneficiaries. In 1942, the number of eligible claimants—that is, workers who filed valid claims—was 20 percent less than in 1941, and 42 percent less than in 1940. Thus, substantially fewer covered workers claimed benefits in 1942 than in either of the 2 preceding years. However, the number of claimants who remained unemployed for at least a compensable week did not decrease in the same proportion as the number of eligible claimants. The number of beneficiaries in 1942 was only 18 percent less than in 1941, but 46 percent less than in 1940. In other words, a claimant in 1942 was somewhat more likely to draw benefits than a claimant in 1941—that is, was less likely

⁴In these 14 States, uniform benefit years ended on the following dates in 1942: New Hampshire, February 28; Illinois, Maine, Maryland, Massachusetts, Rhode Island, South Dakota, Virginia, West Virginia, March 31; Connecticut began June 29, 1941, ended Apr. 4, 1942; New York, May 31 (see below); Arkansas, June 30; Utah, July 6; Oregon, December 31. By an amendment effective in 1942, the ending of the New York benefit year which began Apr. 1, 1941, was extended from March 31 until May 31, 1942. In this report, however, data for New York relate only to benefit experience in the 12-month period ended Mar. 31, 1942.

⁵Delaware, Connecticut, Florida, Georgia, Hawaii, Indiana, Kansas, Michigan, Minnesota, Missouri, North Dakota, Ohio, Oklahoma, South Dakota. See table 1 for comparison of old and new duration provisions in Indiana, Missouri, and Ohio, and table 2 for similar comparison for the other 11 States.

⁶North Dakota (-4.2 percent), New Hampshire (-6.3 percent), Hawaii (-3.7 percent), District of Columbia (-6.1 percent), Montana (-1.7 percent).

Table 2.—Average potential duration of eligible claimants, and their percentage distribution by potential duration, and significant benefit provisions, 32 variable-duration States,¹ by type of duration provision in effect at end of year and by length of average potential duration, benefit years ended in 1942

State	Average weeks of potential duration	Percent of eligible claimants with potential duration of—					Significant benefit provisions ¹			
		Less than 4 weeks	4-7.9 weeks	8-11.9 weeks	12-15.9 weeks	16 weeks or more	Qualifying wages ³ expressed as multiple of wba	Fraction of hqe used to determine wba	Minimum duration (weeks)	Maximum duration (weeks)
Benefits limited to 30 percent or ½ of 1 year's earnings										
Alabama.....	18.2			6.9	15.7	77.4	30x	½	10	20
Massachusetts (30%).....	16.8		3.4	14.4	16.7	65.5	25-10x ⁴	½-½	7+	20
New Mexico.....	15.1			9.7	22.1	68.2	30x	½	10	16
Nebraska.....	14.7		1.8	14.1	18.8	65.3	30x	½	8	16
Nevada.....	14.5		7.8	21.9	19.1	51.2	(⁵)	½	6+	18
Washington.....	13.9		7.5	18.4	14.6	59.5	23.6-13.3x ⁴	½	6+	16
Vermont.....	13.8			16.7	83.3	25	25x	½	8+	15
Arkansas.....	11.3	1.7	16.5	24.2	24.3	33.3	22	½	4	16
Benefits limited to ¼ of 1 year's earnings										
Virginia.....	14.4		3.9	15.5	18.1	62.5	25x	½	6	16
Idaho.....	13.7		1.7	32.5	28.2	37.6	28-52.8x ⁶	(⁷)	7	17
Illinois.....	13.6	.7	7.8	19.3	27.0	45.2	32.1-14.1x ⁴	½	4+	16
Maryland.....	13.1		18.8	22.0	26.4	32.8	21.4-8.8x ⁴	½	4+	20
Louisiana.....	11.8		30.4	27.4	16.5	25.7	20x	½	5	20
Wyoming.....	11.7	.1	8.7	38.4	52.8	28x ⁸		½	7	14
Benefits limited to ½ or less of 1 year's earnings										
New Jersey ⁹ (½).....	12.4		21.7	20.2	36.6	21.5	21.4-8.3x ⁴	½	6	18
Texas ⁹ (½).....	11.0	4.0	27.6	22.4	19.0	27.0	16x	½	3+	16
Oregon (½).....	10.2	9.1	29.7	22.4	18.0	20.8	28.6-13.3x ⁴	6%	2	16
Benefits limited to ½ or less of 2 years' earnings										
Florida (½).....	12.6		15.7	25.5	19.9	38.9	(¹¹)	(¹¹)	(¹¹)	16
Pennsylvania (½).....	10.9	8.1	12.4	11.9	67.6	13x		½	1+	13
Iowa (½).....	10.8	6.6	25.9	18.1	49.4	15x		½	2+	15
Benefits limited to varying percentage of 1 year's earnings										
California (54-25%).....	17.5			3.3	8.1	88.6	30-16.7x ⁴	½	9	26
Rhode Island (30-18%).....	10.2	.4	30.5	35.0	29.3	4.8	16.5-6.25x ⁴	(⁷)	3+	20
Duration provisions changed during benefit years covered										
Hawaii ¹²	17.6			7.8	10.3	81.9	[Old 24x New 30x	½	[Old 8 New 20	[Old 16 New 20
Michigan ¹³	16.7		.1	3.3	33.8	62.8	[Old 28.6-12.5x ¹³ New 25-12.5x ¹³	½	[Old 8 New 7	[Old 16 New 20
Georgia ¹²	15.1	3.0	3.6	1.8	3.7	87.9	[Old 25, 30, 40x New 16x	Old ½	[Old 2 New 16	[Old 16 New 16
Minnesota ¹³	14.5		.3	14.0	34.0	51.7	[Old 30x New 28.6-12.5x ⁴	Old ½ New annual table	[Old 10 New 10	[Old 16 New 16
North Dakota ¹⁴	14.5	1.0	2.3	14.0	16.6	66.1	30x	½	[Old 10 New 16	[Old 16 New 16
Connecticut.....	13.4	1.4	13.8	20.1	26.7	38.0	(¹⁴)	(¹⁴)	(¹⁴)	(¹⁴)
South Dakota ¹⁵	12.7	.2	7.2	16.9	75.7		18-8.4x ⁴	Annual table	[Old 14 New 6	[Old 14 New 14
Kansas ¹²	12.1	5.1	14.3	23.1	17.9	39.6	[Old 16x ³ (New 15)	½	[Old 1 New 6+	[Old 16 New 16
Delaware ¹²	10.5	.6	24.1	21.9	53.4		25-8.3x	½	[Old 4 New 8	[Old 13 Old 16
Oklahoma ¹²	10.5	11.1	24.0	21.2	16.2	27.5	[Old 16x New 22x	Old ½ New ½	[Old 2+ New 7	[Old 16 New 16

¹ Includes Hawaii, Georgia, and North Dakota in which uniform duration was in effect at end of benefit years, but excludes other 10 States with uniform-duration provisions; also excludes Arizona, Indiana, Maine, Missouri, and New Hampshire because potential duration data not available.

² Wba denotes weekly benefit amount; hqe denotes high-quarter earnings.

³ The qualifying requirement is actually expressed as a single flat dollar amount.

⁴ Until June 30, 1941, \$200; on and after July 1, 1941, greater of \$200 and twice the square of the weekly benefit amount, including 5x wba in 1 quarter other than high quarter.

⁵ Weighted schedule, including \$78 in 1 quarter.

⁶ Weighted table.

⁷ Including \$50 in 1 quarter.

⁸ Benefit years ended July-December 1942.

⁹ Benefit years ended Apr. 1, 1941-Mar. 31, 1942. Benefit provisions adjusted to weekly basis; benefits actually figured on a 2-week basis.

¹⁰ For benefit years ended prior to June 28, 1942, qualifying wages were 60x wba in 8 quarters, wba was 1/2 hqe, minimum duration 16 weeks; on and after June 30, 1942, qualifying wages were flat amount, 40-13.3x wba in 8 quarters, wba was based on table 1/2 to 1/2 hqe, minimum 6 weeks.

¹¹ The ending date of last benefit year to which the "old" formula applied, and the duration provisions under each law are: Delaware—June 30, 1942, "old" duration 1/2 of year's earnings, new 1/2; Georgia—Mar. 29, 1942, old duration 1/2 of 2 years' earnings, new, uniform; Hawaii—May 18, 1942, old duration 1/2 of year's earnings, new, uniform; Kansas—Apr. 18, 1942, old duration 1/2 percent of year's earnings, new 1/2; Michigan—Mar. 31, 1942, old duration 1/4 of 1 year, new 1/4 or, if base-period wages less than \$800, lesser of 30 percent and \$200; Minnesota—June 29, 1942, old duration 1/2 of 1 year's earnings, new, varying, 35-16 percent; North Dakota—June 30, 1942, old duration 1/2 of year's earnings, new, uniform; Oklahoma—June 28, 1942, old duration 1/2 of 1 year's earnings, new 1/2; South Dakota—June 30, 1942, old duration uniform, new, duration in lowest 8 wage classes 6-13 weeks.

¹² The qualifying requirement is actually expressed as a single flat dollar amount; old, with \$50 in each of 2 quarters; new, includes some wages in each of 2 quarters.

¹³ During transition uniform-benefit year from June 29, 1941, to Apr. 4, 1942, claimants were paid at the higher of the old or new rate, and received in total benefits the larger of the amounts payable under the two formulas. Previous duration was based on a weighted table, 15%-23 percent, of 1 year's earnings, maximum 13 weeks. The new formula varies according to size of fund; for this period, duration was 1/2 of 1 year's earnings, maximum 18 weeks.

¹⁴ \$200 in 4-quarter base period, or \$100 in 2 quarters of base period.

to become reemployed during the waiting period—but somewhat less likely to draw benefits than in 1940.

Characteristics of Claimants

Affecting Duration of Benefits

The duration data reveal nothing of the personal characteristics or occupational background of the claimants whose benefit experience is represented. A little information on the characteristics of claimants in this period is revealed by surveys made during August and September 1942, in 8 States⁷ in labor-market areas where the demand for workers exceeded the supply.

These surveys revealed that more than half of all claimants were women, though only about one-fourth of the labor force, working and not working, were women, according to the Bureau of the Census. Many claimants were in the older age brackets, were in bad health, or were physically handicapped. These factors may have made reemployment more difficult for some groups of claimants, while the imminence of induction into the armed forces may have had a similar effect for the younger men. Claimants also included some workers from seasonal industries who claim benefits every year.

If workers who are relatively difficult to place or who are unemployed each year for extended periods had constituted the bulk of the claimants in 1942, duration experience for that period would have little value as an indicator of the adequacy of the duration provisions in State laws for a more normal period. The lower earnings of such workers would tend to depress average potential duration, while their longer periods of unemployment would tend to increase actual duration and exhaustion ratios. Not all workers who became unemployed and began benefit years in 1941 fell into these categories, however.

Many workers with records of steady employment were laid off during 1941 as a result of raw material shortages and priority orders.⁸ Lay-

offs were general throughout the country during the last quarter of 1941, as the transition to a war economy got under way. The conversion process had its greatest impact on the benefit rolls during the first quarter of 1942, when heavy industry tooled up for war production. Hence the workers whose benefit experience is being studied were a heterogeneous group, displaced in a dynamic period of preparation for defense and war. For many, reemployment opportunities were good. In Massachusetts, for example, 50 percent of the eligible claimants drew no benefits. There were 7 other States⁹ where more than one-third of the eligible claimants drew no benefits.

For these reasons, it is fair to say that the experience reported here is significant in evaluating the degree of protection afforded by the existing program to workers who may become unemployed in the post-war period, when reemployment opportunities may not be so good.

Duration Experience

*Potential duration of benefits in 42 States.*¹⁰—In States with variable duration, a claimant's potential duration of benefits is obtained by dividing the maximum amount of money he can receive in a benefit year by his weekly benefit amount. The resulting figure is the number of weeks of total unemployment during which he may receive benefits in the given benefit year. Thus a claimant entitled to \$100 in benefits within a benefit year at a weekly benefit amount of \$10 is said to have a potential duration of 10 weeks. If he draws the \$100, he is said to have had an actual duration of 10 weeks, although in fact he may have received benefits in more than 10 weeks as a result of reduced weekly

payments because of partial or partial unemployment.

The average period of total unemployment during which claimants were protected by benefit rights varied widely between States. The 10 uniform-duration States provided a longer period of protection for a larger proportion of the claimants than did the variable-duration States. All eligible claimants in New York could receive benefits for 13 weeks, in Utah, for 20 weeks, and in the others, for intermediate periods. In 14 of the 32 variable-duration States, the average potential duration was less than 13 weeks.

Although, in variable-duration States, potential duration is computed from base-period earnings, for the period studied the benefit formula appears to have been more significant in limiting claimants' duration than economic and employment conditions in the base period. When the States are grouped by type of duration provisions, average potential duration in those States using $\frac{1}{3}$ of a year's earnings as the limiting fraction is, except in Arkansas, at least a week longer than that in the States using $\frac{1}{2}$ or less of a year's earnings or a fraction of 2 years' earnings (table 2). Arkansas' short average potential duration probably reflects the duration of many workers with low earnings who would not have been eligible in the other States, since in Arkansas anyone who had earned more than \$66 in 1940 was eligible for some benefits.¹¹

The averages may conceal wide variations in the proportion of eligible claimants with given potential durations. In Vermont and Washington, both of which use the $\frac{1}{2}$ fraction to determine duration, average potential duration of benefits was almost the same—13.8 and 13.9 weeks respectively. Yet in Vermont no eligible claimant was entitled to less than 8 or more than 15 weeks of benefits, while 7.5 percent of the Washington claimants were entitled to less than 8 weeks and 59.5 percent to 16 weeks of benefits.

Actual duration of benefits.—Potential duration of benefits measures the protection offered by the unemployment compensation laws to eli-

⁷ California, Connecticut, Illinois, Maryland, Massachusetts, Ohio, Virginia, Washington.

⁸ The North Carolina Unemployment Compensation Commission has estimated that more than 25,000 skilled and semi-skilled hosiery workers were laid off in that State alone as a result of the silk embargo declaration in the summer.

⁹ Alabama, New Hampshire, Ohio, Oregon, South Carolina, Virginia, Washington.

¹⁰ This section on potential duration is confined to 42 of the 47 States studied. Potential duration could not be computed in Arizona and Missouri, which redetermined some claimants' benefit rights each quarter during the benefit year. No data on potential duration are available from Indiana. Since the available figures on potential duration for Maine and New Hampshire do not show the effect of reduction of duration for claimants with low weekly benefit amounts, these 2 States have also been omitted.

¹¹ The eligibility requirements are 22 times $\frac{1}{26}$ of high-quarter earnings, with a \$3 minimum weekly benefit amount.

Table 3.—Average potential and actual duration, ratio of actual to potential duration, and percent of beneficiaries exhausting rights, 47 States, benefit years ended in 1942

State	Average weeks of potential duration, eligible claimants	Average weeks of actual duration, beneficiaries	Ratio (percent) of actual to potential duration	Percent of beneficiaries exhausting benefit rights
States with uniform duration:				
Utah.....	20.0	11.0	55.0	25.1
Ohio ¹	16.8	9.7	57.7	24.3
Kentucky.....	16.0	11.0	68.8	46.0
Montana.....	16.0	10.5	65.6	32.0
North Carolina.....	16.0	10.0	62.5	43.7
South Carolina.....	16.0	9.3	58.1	35.8
Tennessee.....	16.0	10.9	68.1	42.7
West Virginia.....	16.0	9.9	61.9	31.0
Mississippi.....	14.0	9.9	70.7	43.0
New York.....	13.0	9.4	72.3	46.6
States with variable duration:				
Alabama.....	18.2	11.5	63.2	39.7
Hawaii.....	17.6	7.6	43.2	14.1
California.....	17.5	10.8	61.7	33.6
Massachusetts.....	16.8	11.1	66.1	47.2
Michigan.....	16.7	8.9	53.3	26.9
Georgia.....	15.1	10.2	67.5	46.2
New Mexico.....	15.1	9.7	64.2	35.2
Nebraska.....	14.7	9.3	63.3	36.4
Nevada.....	14.5	9.3	64.1	37.3
Minnesota.....	14.5	9.6	66.2	42.6
North Dakota.....	14.5	9.6	66.2	38.7
Virginia.....	14.4	7.7	53.5	24.3
Washington.....	13.9	6.5	46.8	17.3
Vermont.....	13.8	8.5	61.6	37.0
Idaho.....	13.7	8.6	62.8	33.3
Illinois.....	13.6	7.0	51.5	30.1
Connecticut.....	13.4	5.8	43.3	22.5
Maryland.....	13.1	7.7	58.8	44.9
South Dakota.....	12.7	8.9	70.1	45.9
Florida.....	12.6	8.9	70.6	52.7
New Jersey ²	12.4	7.2	58.1	39.7
Kansas.....	12.1	7.8	64.5	47.6
Louisiana.....	11.8	9.2	78.0	74.8
Wyoming.....	11.7	5.9	50.4	24.5
Arkansas.....	11.3	7.0	61.9	46.2
Texas ³	11.0	7.7	70.0	57.3
Pennsylvania.....	10.9	5.6	51.4	36.5
Iowa.....	10.8	6.6	61.1	46.7
Delaware.....	10.5	6.7	63.8	50.2
Oklahoma.....	10.5	7.2	68.6	56.7
Rhode Island.....	10.2	6.6	64.7	52.6
Oregon.....	10.1	4.6	45.5	29.6
Arizona.....	(4)	7.4	(4)	46.6
Missouri.....	(4)	7.4	(4)	41.4
Indiana.....	(5)	7.8	(5)	35.8
Maine.....	(5)	7.1	(5)	21.9
New Hampshire.....	(5)	7.1	(5)	18.4

¹ Ohio duration changed from 16 weeks to 18 weeks, effective Oct. 1, 1941.

² Benefit years ended July–December 1942.

³ Benefit years ended Apr. 1, 1941–Mar. 31, 1942.

⁴ Since State law provided lag-quarter redeterminations of benefit rights, potential duration could not be determined. A claimant is considered as

having exhausted his benefit rights if at any time during his benefit year he had received all benefits to which he was entitled at the time, notwithstanding the fact that additional benefits may have become available to him when redetermination was made at the beginning of a subsequent quarter.

⁵ Data on potential duration not available.

gible individuals. Actual duration of benefits is a partial indicator of the utilization of that protection, although short actual duration may result from either brevity of unemployment or brevity of potential duration. Actual duration in 1942 was shortest in Oregon and longest in Alabama. Among the variable-duration States, these two also had the shortest and longest average potential duration (table 3), although the actual duration was probably determined also by other factors, such as economic conditions.

Adequacy of benefit rights is meas-

ured also by the ratio of actual duration to potential duration (table 3), which shows the extent to which potential benefits were paid. A given number of weeks of actual duration may represent quite different proportions of the potential weeks of benefits. For example, the average beneficiary drew 8.9 weeks of benefits in Florida, Michigan, and South Dakota; that figure represented almost three-fourths of the potential weeks available to the average claimant in South Dakota or Florida, but only a little more than half of those available in Michigan. Less than one-third of all

potential benefit rights were unused in as many as 10 of the 42 States for which potential duration can be determined. The unused portion was less than half the total in all but 4 States.

Exhaustion of benefit rights.—In considering the duration experience, the most important question is whether the potential benefits of individual workers cover the period of unemployment which they actually experience. This is indicated by the proportion of beneficiaries who drew all the benefits to which they were entitled. It might be expected that, in the period of relatively full employment reflected in this study, few beneficiaries would exhaust their rights. However, in 32 of the 47 States more than one-third of all beneficiaries exhausted their rights; in 6 variable-duration States, more than half exhausted their rights, and in 1 of these, nearly three-fourths (table 3). Average potential duration in these 6 States was 3.1 weeks shorter than in 5 of the 7 variable-duration States in which less than one-fourth of the beneficiaries exhausted their benefits.

In States with variable duration, the full extent of unprotected unemployment is concealed by the exhaustion ratio for the State as a whole. As would be expected, the proportion of claimants who drew all the benefits to which they are entitled rises as the length of their potential duration of benefits declines. Among eligible claimants entitled to at least 16 weeks of benefits the proportion who exhausted their rights ranged from 2.1 percent in Oregon to 33.6 percent in Georgia, while among claimants with potential duration of from 4 to 8 weeks the proportion ranged from 24.6 percent in Virginia to 100 percent in Michigan. The proportion of claimants with less than 4 potential weeks of benefits who exhausted their benefit rights, ranged in 14 States from 26.1 percent in Arkansas to 100 percent in Wyoming (table 4).

While the number of claimants who exhausted benefits at different potential-duration intervals is important in measuring adequacy of duration, the statistical significance of the exhaustion ratio for any group of claimants is affected by the size of the group (table 4). For example, Wyoming's

100 percent exhaustion ratio for claimants entitled to fewer than 4 weeks of benefits applied to only 2 individuals. At the other extreme, in Oregon, which had the lowest exhaustion ratio at 16 weeks, only 20.8 percent of the claimants had as many as 16 potential weeks of benefits, while in Georgia, with the highest ratio, 87.9 percent of the claimants had a potential duration of 16 weeks. There were 13 States in which more than half the claimants were entitled to at least 16 weeks of benefits. The exhaustion ratios for such claimants ranged from 4.2 percent in Washington to 33.6 percent in Georgia; it was between 20 and 25 percent in 5 of these States.

Weekly benefit amount and duration experience.¹²—When both weekly benefit amount and total benefits are determined from past earnings, as they are in States with variable duration, low weekly benefit amounts are naturally accompanied by short potential duration, and proportionately more of these claimants exhausted their benefit rights (table 5). On the average, the potential duration of claimants with weekly benefit amounts of \$15 or more was 3.6 weeks longer than that of claimants with weekly benefit amounts of less than \$5; the greatest difference was 9.5 weeks in Oklahoma; the least, 1.2 weeks in Florida and New Mexico.

Even where the difference in potential duration was small, as in Florida and New Mexico, the difference in exhaustion ratios was substantial. In Florida, 58.1 percent of the claimants with weekly benefit amounts of less than \$5 exhausted their benefit rights and only 37.7 percent of those with weekly amounts of \$15. For New Mexico, the proportions were 31.2 percent and 18.6 percent.

The higher exhaustion ratio of claimants with low weekly benefit amounts was not due entirely to their

shorter potential duration. Exhaustion ratios vary inversely with the weekly benefit amount even in States where all eligible claimants have the same potential duration. The variation was greatest in North Carolina, where almost two-thirds of the claimants with weekly benefit amounts of \$5 or less, but only about one-sixth of those entitled to \$15 per week, drew all the benefits to which they were entitled.

Effect of disqualifications on duration.—Disqualification provisions of State laws also affect the duration of benefits. In all States, certain actions of the claimant, such as voluntarily leaving work without good cause, will at least postpone his receipt of benefits. Obviously, the postponement influences the duration experience of disqualified claimants. A claimant who because of a disqualification must be unemployed for

10 weeks before he receives a benefit check must have a longer spell of unemployment to exhaust his benefit rights than a claimant with the same benefit rights who receives his first check after 2 weeks of unemployment. If a substantial portion of the claimants in a State are disqualified, or if the disqualifications are for lengthy periods, the average actual duration of all claimants will be shortened. Thus, short actual duration can result from disqualifications as well as from short periods of unemployment and short potential duration. No data are available to indicate the effect of such disqualifications on duration experience.

In an increasing number of States, however, a disqualification not only postpones receipt of benefits but also reduces the amount which the disqualified worker could otherwise have received in that benefit year. These disqualifications have an even greater

Table 4.—Percentage distribution of eligible claimants by potential-duration intervals and percent exhausting benefit rights at each interval, 32 variable-duration States,¹ benefit years ended in 1942

State	Eligible claimants with potential duration of—									
	Less than 4 weeks		4-7.9 weeks		8-11.9 weeks		12-15.9 weeks		16 weeks or more	
	Percent of all claimants	Percent exhausting rights	Percent of all claimants	Percent exhausting rights	Percent of all claimants	Percent exhausting rights	Percent of all claimants	Percent exhausting rights	Percent of all claimants	Percent exhausting rights
Alabama.....	1.7	26.1	16.5	65.2	6.9	44.6	15.7	35.8	77.4	19.1
Arkansas.....					24.2	47.5	24.3	30.4	33.3	20.3
California.....					3.3	43.9	8.1	40.8	88.6	25.6
Connecticut.....	1.4	74.9	12.8	34.7	20.1	26.7	9.3	38.0	8.0	
Delaware.....	.6	72.0	24.1	71.6	21.9	48.3	53.4	24.2		
Florida.....			15.7	73.5	25.5	60.1	19.9	46.1	38.9	29.4
Georgia.....	3.0	83.5	3.6	60.7	1.8	47.7	3.7	45.3	87.9	33.6
Hawaii.....					7.8	17.9	10.3	25.4	81.9	6.8
Idaho.....			1.7	62.2	32.5	45.4	28.2	26.2	37.6	15.1
Illinois.....	.7	66.7	7.8	57.9	19.3	46.8	27.0	26.5	45.2	19.9
Iowa.....	6.6	62.8	25.9	52.7	18.1	40.3	49.4	17.6		
Kansas.....	5.1	85.5	14.3	69.1	23.1	48.1	17.9	34.8	39.6	27.0
Louisiana.....			30.4	76.0	27.4	66.2	16.5	49.6	25.7	32.1
Maryland.....			18.8	59.8	22.0	48.6	26.4	28.7	32.8	17.8
Massachusetts.....			3.4	36.1	14.4	38.0	16.7	30.2	66.5	18.1
Michigan.....			.1	100.0	3.3	43.7	33.8	40.8	62.8	18.5
Minnesota.....			.3	73.7	14.0	56.0	34.0	42.4	51.7	23.9
Nebraska.....			1.8	56.1	14.1	44.7	18.8	32.7	65.3	21.7
Nevada.....			7.8	66.7	21.9	49.7	19.1	37.6	51.2	24.6
New Jersey.....			21.7	54.4	20.2	38.3	36.6	22.7	21.5	14.4
New Mexico.....					9.7	40.8	22.1	33.2	68.2	22.8
North Dakota.....	1.0	78.9	2.3	64.9	14.0	51.3	16.6	36.7	66.1	24.0
Oklahoma.....	11.1	70.0	24.0	63.7	21.2	49.5	16.2	33.1	27.5	27.2
Oregon.....	9.1	43.6	20.7	33.2	22.4	17.1	18.0	4.4	20.8	2.1
Pennsylvania.....	8.1	79.0	12.4	62.6	11.9	46.7	67.6	24.9		
Rhode Island.....	.4	58.0	30.5	53.2	35.0	37.4	29.3	29.0	4.8	15.0
South Dakota.....	.2	0	7.2	59.5	16.9	47.0	75.7	31.4		
Texas.....	4.0	77.7	27.6	68.5	22.4	54.7	19.0	38.3	27.0	32.0
Vermont.....					16.7	43.0	83.3	21.3		
Virginia.....			3.9	24.6	15.5	21.8	18.1	16.4	62.5	9.7
Washington.....			7.5	25.0	18.4	21.5	14.6	12.4	59.5	4.2
Wyoming.....	.1	100.0	8.7	48.3	38.4	35.5	52.8	12.5		

¹ Includes Hawaii, Georgia, and North Dakota in which uniform duration was in effect at end of benefit years, but excludes other 10 States with uniform-duration provisions; also excludes Arizona,

Indiana, Maine, Missouri, and New Hampshire because potential duration data not available.

² Benefit years ended July-December 1942.

³ Benefit years ended Apr. 1, 1941-Mar. 31, 1942.

¹² This section is based on the benefit experience of all eligible claimants, including those who actually receive no benefits, rather than beneficiaries, except as noted in table 6. Hence, in most States, average actual duration and exhaustion ratios are somewhat lower than the statistics previously cited for beneficiaries.

effect on the duration of benefits of those affected workers who exhaust their benefits. Limited data are available on the effect of such disqualifications on disqualified claimants who exhausted their benefit rights.

In South Carolina, because potential duration of benefits is uniform, it is possible to determine the number of disqualified claimants who exhausted their benefit rights, and the extent of the reduction which they experienced. Disqualifications reduced the

benefit rights of 976 claimants, 10 percent of those who exhausted benefits. Instead of 16 weeks these claimants had an average actual duration of 10.8 weeks of benefits.

In duration reports submitted by the States, weeks of disqualification are counted as weeks of potential benefits. Consequently, for States in which the disqualification provisions reduce benefit rights, average potential duration, as the term has been used, overstates the amount of benefit

protection which was actually available to claimants. Because of recent amendments to many State laws providing for disqualifications under a greater variety of circumstances, claimants' potential duration will overstate to an even greater degree the amount of their available protection in the future.

Comparison of Duration Experience in 1940, 1941, and 1942

Comparison of the duration experi-

Table 5.—Average potential and actual duration and percent of claimants exhausting benefit rights, by weekly benefit amount, 47 States, benefit years ended in 1942¹

State	Weekly benefit amount											
	Less than \$5.00			\$5.00-9.99			\$10.00-14.99			\$15.00 or more		
	Average duration in weeks		Percent of claimants exhausting benefit rights	Average duration in weeks		Percent of claimants exhausting benefit rights	Average duration in weeks		Percent of claimants exhausting benefit rights	Average duration in weeks		Percent of claimants exhausting benefit rights
	Potential	Actual		Potential	Actual		Potential	Actual		Potential	Actual	
States with uniform duration:												
Kentucky ²	16.0	12.3	54.6	16.0	11.2	47.5	16.0	10.0	38.8	16.0	9.5	32.3
Mississippi	14.0	7.2	30.2	14.0	7.6	32.7	14.0	7.9	35.5	14.0	8.2	37.3
Montana				16.0	9.2	31.4	16.0	8.9	27.1	16.0	7.4	19.6
New York				13.0	6.6	34.4	13.0	6.7	34.4	13.0	6.4	29.8
North Carolina ²	16.0	12.8	62.9	16.0	10.3	44.9	16.0	6.6	23.0	16.0	5.4	16.9
Ohio ²	16.0	10.3	29.8	16.4	9.8	26.2	16.9	8.4	21.2	17.2	7.2	16.2
South Carolina	16.0	8.1	31.9	16.0	5.9	23.2	18.0	3.3	13.4	16.0	6.9	22.9
Tennessee	16.0	5.9	23.2	16.0	7.9	31.9	16.0	7.3	28.0	16.0	7.8	27.5
Utah				20.0	9.9	28.8	20.0	9.1	22.4	20.0	7.4	13.4
West Virginia ²				16.0	10.4	35.1	16.0	9.7	29.2	16.0	8.8	22.8
States with variable duration:												
Alabama	16.6	8.2	29.3	18.2	7.8	27.3	19.1	4.5	14.7	18.5	5.5	16.8
Arizona ²	(³)	10.0	55.6	(³)	8.1	53.1	(³)	7.4	45.7	(³)	6.7	35.9
Arkansas	9.0	5.2	46.5	11.8	5.8	35.6	12.5	5.7	29.0	13.2	5.7	28.3
California							16.5	9.8	36.5	18.1	8.1	21.3
Connecticut				12.3	4.1	19.6	13.8	4.3	15.8	14.7	4.2	11.3
Delaware				9.6	5.5	48.7	11.2	5.7	35.2	12.3	5.2	24.0
Florida	13.1	9.5	58.1	11.8	7.7	55.1	12.9	7.9	41.4	14.3	8.7	37.7
Georgia	13.0	7.7	48.1	15.2	8.4	37.6	15.7	7.5	30.8	15.8	8.1	28.6
Hawaii				17.1	5.8	10.0	18.3	3.2	7.2	18.8	4.3	10.0
Idaho				11.6	7.5	44.0	14.0	7.4	25.8	15.9	7.4	15.9
Illinois ²				12.3	7.3	38.3	12.6	6.9	35.4	14.5	6.9	24.5
Indiana	(³)	10.4	62.2	(³)	8.0	42.3	(³)	7.5	38.9	(³)	7.9	29.7
Iowa	4.8	2.5	48.0	9.8	4.9	40.1	11.8	4.7	27.8	12.5	4.7	24.2
Kansas				10.8	6.8	51.7	12.7	7.0	37.7	14.2	7.2	28.9
Louisiana	10.2	6.5	61.2	11.7	7.2	60.5	12.8	7.1	50.0	12.1	7.2	55.6
Maine				(³)	5.2	16.9	(³)	4.0	8.8	(³)	6.1	18.2
Maryland				10.8	6.2	49.4	12.6	6.3	37.9	15.7	5.6	20.9
Massachusetts				15.9	5.7	26.9	17.1	5.9	23.8	17.8	4.9	18.5
Michigan				14.8	8.7	41.5	14.6	9.1	41.9	17.3	8.9	23.0
Minnesota				13.3	8.0	44.1	14.6	8.0	35.2	15.7	7.0	23.0
Missouri ²	(³)	5.9	60.6	(³)	7.6	46.1	(³)	7.7	37.0	(³)	8.2	33.1
Nebraska				14.7	7.6	31.5	14.3	6.4	25.5	15.3	6.8	20.7
Nevada				13.1	9.0	41.4	12.6	9.0	49.0	15.7	8.9	28.8
New Hampshire				(³)	5.2	14.7	(³)	3.4	7.3	(³)	2.0	4.6
New Jersey ²				10.0	5.4	41.3	11.8	5.7	32.8	14.2	5.7	24.2
New Mexico	14.3	7.2	31.2	15.0	7.9	30.0	15.3	7.3	24.8	15.5	6.4	18.6
North Dakota				13.8	7.9	36.8	15.1	7.5	25.9	15.5	8.2	25.6
Oklahoma	4.4	2.8	58.7	8.9	5.5	54.8	11.9	6.3	40.6	13.9	7.0	32.5
Oregon							6.0	2.9	36.4	11.5	2.9	13.2
Pennsylvania ²				9.2	6.5	50.5	11.4	5.6	31.8	12.4	4.6	18.5
Rhode Island				8.4	4.7	47.9	10.3	5.0	37.7	12.7	4.9	25.8
South Dakota	(³)	8.5	48.6	(³)	6.8	39.2	(³)	6.8	24.4	14.0	6.1	17.6
Texas ²				10.0	6.6	55.9	12.6	7.3	42.0	14.0	7.0	31.4
Vermont	11.6	5.9	37.5	13.7	6.1	30.0	13.9	5.4	20.4	14.1	5.0	16.4
Virginia	11.8	4.9	19.3	14.1	5.0	16.3	15.1	3.6	10.8	15.3	2.9	6.1
Washington				12.2	5.3	25.0	12.2	4.1	15.9	15.0	3.4	4.7
Wyoming				10.5	6.1	28.1	11.3	6.6	28.9	12.1	5.7	22.0

¹ Unless otherwise indicated, actual duration and exhaustion ratios relate to all eligible claimants, rather than to beneficiaries as in table 3.

² Data relate to beneficiaries rather than to eligible claimants; for Ohio, excludes 39,770 eligible claimants under the old law who drew no benefits and consequently did not begin a benefit year. Ohio duration of 16 weeks was extended to 18, effective Oct. 1, 1941; new law minimum wba is \$5.

³ Lag-quarter redeterminations provided; potential duration not computed.

⁴ Potential duration not available.

⁵ Benefit years ended July-December 1942.

⁶ Benefit years ended Apr. 1, 1941-Mar. 31, 1942.

Table 6.—Comparison of selected duration data for 12 States in which benefit provisions did not change during benefit years ended in 1940, 1941, and 1942

State ¹	Average potential duration for eligible claimants, benefit years ended in—			Average actual duration for beneficiaries, benefit years ended in—			Percent of beneficiaries exhausting rights, benefit years ended in—		
	1940	1941	1942	1940	1941	1942	1940	1941	1942
Benefits limited to ½ of 1 year's earnings									
Minnesota ²	15.2	14.8	14.7	11.4	11.2	9.8	56.9	55.9	40.2
Nebraska	15.0	14.9	14.7	11.7	10.9	9.3	54.0	49.2	36.4
New Mexico	15.1	15.0	15.1	11.6	11.0	9.7	54.8	47.9	35.2
Washington	13.7	13.8	13.9	10.2	9.3	6.5	54.2	48.1	17.3
Benefits limited to ¼ or less of 1 year's earnings									
Illinois (¾)	13.3	13.3	13.6	8.1	8.1	7.0	40.4	40.4	30.1
Texas (¾)	10.8	10.8	11.0	8.6	8.6	7.7	66.2	66.1	57.3
Oklahoma ² (¾)	9.0	8.8	8.5	7.4	6.6	6.0	73.8	69.7	63.6
Benefits limited to ¼ or less of 2 years' earnings									
Arizona (¾)	(³)	(³)	(³)	9.1	8.7	7.4	64.1	53.0	44.6
Pennsylvania (¾)	11.4	10.1	10.8	8.9	7.4	5.6	59.6	57.5	39.5
Uniform duration									
Montana	16	16	16	13.1	13.1	10.9	59.4	60.0	37.0
New York	13	13	13	10.1	10.1	9.4	54.7	54.7	46.6
North Carolina	16	16	16	10.0	10.1	10.0	41.2	42.5	43.7

¹ Where States with different duration provisions are grouped together, duration fraction follows State name.

² 1942 figures based on benefit years ending January-June 1942, rather than whole year as in other

tables, to exclude experience under amended duration provisions.

³ Potential duration not determinable because of lag-quarter redeterminations.

ence of 12 States using the same benefit provisions in 1940, 1941, and 1942 ¹³ indicates that average potential duration of benefits remained about the same, but average actual duration and the proportion of beneficiaries who exhausted their benefits decreased (table 6).

The base periods represented are in general 1938, 1939, and 1940. The year 1938 was characterized for the most part by depressed employment conditions, 1939 by general economic improvement, and 1940 by sharp employment increases in industries producing durable goods and continued expansion in construction. Wages increased relatively more than covered employment from 1938 to 1939, and again from 1939 to 1940. Average potential duration of benefits might have been expected to increase from

1940 to 1942 because of higher earnings and more regular employment. Actually, however, the average potential duration of benefits of eligible claimants varied only slightly during the 3 years in most of these States. In fact, the 1 State in which the difference was more than one-half week was Pennsylvania, in which the potential duration in 1940 was 1.3 weeks longer than in 1941, and 0.6 weeks longer than in 1942.

The reasons for this similarity in average potential duration of benefits in successive benefit years are not clear from available data. There may be several contributing factors. The claimant group in each of the 3 years may have included recurrently unemployed workers with substantially the same pattern of employment and unemployment from year to year. The wages of many skilled workers were already high enough to provide maximum duration, so that any increase in their earnings could have no effect on potential duration of benefits. Moreover, in many States, potential duration is derived from the relationship between high-quarter earnings and annual earnings. As wages rise,

so do high-quarter earnings and weekly benefit amounts. In all 12 of these States, the proportion of payments at the higher weekly benefit amounts did actually increase from 1940 to 1942. Until the weekly benefit amount reaches the maximum, potential duration will increase only if the increase in annual earnings is relatively greater than in high-quarter earnings. For example, consider an Illinois worker in 1940, with 1938 high-quarter earnings of \$140 and annual earnings of \$324, giving him a weekly benefit amount of \$7 and a resultant potential duration of 13 weeks. If in 1939 his high-quarter earnings increased to \$180, which would give him a weekly benefit amount of \$9, his annual earnings would have had to be more than \$468 to give him a greater potential duration in 1941 than in 1940.

Average actual duration of benefits and the proportion of beneficiaries who drew all the benefits to which they were entitled decreased each year in 7 of the 12 States. In 2 others, actual duration of benefits and exhaustion ratios were the same in 1940 and 1941, and lower in 1942. In 1940, at least 40 percent of the beneficiaries exhausted their rights in all 12 States, and in 10 of these at least half the beneficiaries did so. In 1942, there were only 2 States where the exhaustion ratio was more than 50 percent, and 6 where the proportion was less than 40 percent.

Summary

Even in 1942, a year of relatively high employment levels, the duration of benefits available to claimants in many States was so low that a considerable proportion exhausted their rights before again finding work. In 32 of the 47 States whose experience is reported here, more than one-third of the beneficiaries were still unemployed when they received their final check. In 6 States, more than one-half the beneficiaries exhausted their benefit rights, and in 1 State, nearly three-fourths. In all but 4 of the 42 States for which data on potential duration of benefits are available, more than half the weeks of potential benefits available to beneficiaries were actually drawn, and in 10 States, more than two-thirds.

(Continued on page 52)

¹³ In Nebraska and North Carolina, slight changes were made in 1942. Nebraska's qualifying-earnings requirement was changed from 30 times the weekly benefit amount to a flat \$200, changing minimum duration from 10 to 8 weeks. North Carolina raised the minimum weekly benefit amount from \$1.50 to \$3, retaining the same qualifying-earnings requirement of \$130.

Public Assistance

Statistics for the United States

Public assistance payments in the continental United States in February totaled \$78.5 million, of which 73 percent was for old-age assistance, 14 percent for aid to dependent children, 3 percent for aid to the blind, and 10 percent for general assistance. The total expenditure was 0.1 percent greater than in January and only 2.9 percent greater than the smallest monthly total during the past year. General assistance decreased 0.1 percent, but payments for each of the special types of public assistance increased slightly.

The number of recipients under each program was about 1 percent less in February. During the past year recipients of old-age assistance and aid to the blind have decreased about 4 percent in number; families receiving aid to dependent children, 20 percent; and general assistance cases, 34 percent.

Old-age assistance.—Recipients were 0.6 percent fewer in February (table 2), the twentieth month of continuous decline. Payments increased for the twelfth consecutive month, but the February increase was the smallest during that period. The States reported average payments ranging from \$9.72 to \$47.14.

Changes in State programs were

minor during February; increases in numbers of recipients occurred only in Alabama and Wyoming, and none of the decreases in the other States were as much as 3 percent. Although more States reported increased payments, all the changes were small. The more marked changes among the States were reported by Delaware, where there were decreases of 2.8 percent in recipients and 0.3 percent in payments; Florida, where recipients were 0.8 percent fewer and payments 2.0 percent greater; New York, where recipients decreased 0.8 percent and payments increased 1.9 percent; and Alabama, where recipients increased 1.8 percent and payments, 1.7 percent.

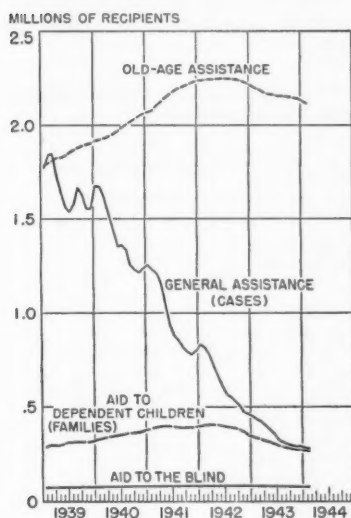
Aid to dependent children.—The decline of 0.7 percent in the number of families aided during February (table 5) was the smallest since May

Table 1.—Public assistance in the continental United States and in all States with plans approved by the Social Security Board, by month, February 1943–February 1944¹

Year and month	Continental United States					States with approved plans					
	Total	Special types of public assistance			General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	
		Old-age assistance	Aid to dependent children					Families	Children		
			Families	Children							
Number of recipients											
1943											
February		2,200,133	334,220	813,952	78,219	429,000		2,203,196	331,980	800,575	54,423
March		2,191,549	327,165	795,985	78,017	417,000		2,194,592	324,984	791,088	54,219
April		2,179,378	319,923	780,195	77,801	395,000		2,182,405	317,778	775,964	54,022
May		2,170,057	312,393	763,278	77,336	374,000		2,173,061	310,276	759,130	53,798
June		2,167,035	304,446	746,507	77,542	354,000		2,170,019	302,362	742,411	53,751
July		2,161,824	296,077	728,246	77,201	325,000		2,164,785	294,034	724,244	53,600
August		2,161,213	290,204	709,825	76,923	312,000		2,164,177	288,225	705,876	53,538
September		2,155,772	284,858	704,398	76,546	304,000		2,158,725	282,923	700,537	53,437
October		2,155,244	280,272	694,162	76,137	297,000		2,158,176	278,383	690,417	59,833
November		2,148,916	275,788	683,267	75,762	291,000		2,151,840	273,972	679,636	59,463
December		2,146,065	272,537	676,316	75,593	292,000		2,148,987	270,785	672,840	59,362
1944											
January		2,133,591	269,770	671,556	75,034	288,000		2,136,429	270,269	673,207	58,954
February		2,119,817	267,848	667,031	74,745	283,000		2,122,709	268,342	668,663	58,702
Amount of assistance											
1943											
February	\$76,686,714	\$52,017,395	\$12,201,424	\$2,063,895	\$10,404,000	\$65,637,687	\$52,089,111		\$12,175,189		\$1,373,387
March	77,690,953	52,153,893	12,211,999	2,083,061	11,242,000	65,789,875	52,225,547		12,184,486		1,379,842
April	77,223,389	52,475,604	12,109,901	2,081,884	10,556,000	66,015,680	52,547,463		12,084,961		1,383,256
May	76,317,762	52,766,183	11,843,665	2,088,914	9,619,000	66,044,261	52,839,187		11,816,683		1,388,391
June	76,484,278	53,332,839	11,782,441	2,095,998	9,273,000	66,556,256	53,404,505		11,756,968		1,394,783
July	77,115,624	54,930,685	11,543,112	2,101,827	8,540,000	67,923,590	55,002,587		11,519,138		1,401,865
August	77,077,808	55,521,724	11,399,679	2,102,405	8,054,000	68,379,633	55,593,915		11,377,404		1,408,314
September	77,515,053	56,005,854	11,318,959	2,096,240	8,094,000	68,792,944	56,078,073		11,298,225		1,416,646
October	78,081,628	56,598,428	11,312,545	2,107,655	8,063,000	69,594,305	56,670,836		11,291,506		1,631,963
November	78,199,066	56,880,778	11,314,393	2,105,895	7,898,000	69,881,240	56,953,181		11,296,492		1,631,567
December	78,715,874	57,206,731	11,298,077	2,113,066	8,098,000	70,198,886	57,279,467		11,278,828		1,640,591
1944											
January	78,432,277	57,218,594	11,237,916	2,103,767	7,872,000	70,195,006	57,291,590		11,266,870		1,636,546
February	78,500,425	57,227,776	11,300,954	2,106,695	7,865,000	70,269,846	57,300,748		11,329,184		1,639,914

¹ Partly estimated and subject to revision. For monthly data January 1933–December 1941, see the *Bulletin*, February 1943, pp. 23–25; for 1942–43 data, see the *Bulletin*, February 1944, p. 27; for definitions of terms, see the September 1941 issue, pp. 50–51.

Chart 1.—Recipients of public assistance in the continental United States, January 1939–February 1944



1942. Payments increased 0.6 percent and the average payment rose from \$41.68 to \$42.21. Among the States average payments ranged from \$20.03 to \$80.48.

In Iowa, 16 percent more families

were aided and payments increased 15 percent during February, the second month of operation under an approved plan. Other notable changes were increases of 2.7 percent in families aided and 7.6 percent in payments in Delaware, where the average payment increased from \$53.56 to \$56.10; increases of 6.4 percent in families aided and 2.7 percent in payments in Kentucky; and an increase of 7.6 percent in payments in New York, raising the average payment from \$66.16 to \$71.15.

Aid to the blind.—The total number of recipients decreased and payments increased, but both changes were less than 1 percent (table 4). February was the eighth month of decline in number of recipients. Average payments ranged among the States from \$11.37 to \$47.25. In Connecticut, recipients increased 4.7 percent and payments 6.8 percent. Increases of 0.9 percent in recipients and 7.3 percent in payments in New York raised the average payment from \$33.84 to \$36.00.

General assistance.—General assistance cases were 1.7 percent fewer in February, while payments did not change (table 3). The average pay-

ment increased from \$27.30 to \$27.76, and State averages ranged from \$5.99 to \$44.15.

The number of cases increased 23 percent and payments 54 percent in New Mexico, partially restoring the

Chart 2.—Payments to recipients of public assistance in the continental United States, January 1939–February 1944

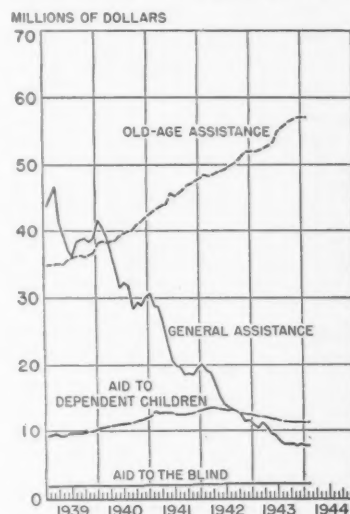


Table 2.—Old-age assistance: Recipients and payments to recipients, by State, February 1944¹

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	January 1944 in—		February 1943 in—				Total amount	Average	January 1944 in—		February 1943 in—	
				Number	Amount	Number	Amount					Number	Amount	Number	Amount
Total ¹	2,122,709	\$57,300,748	\$26.99	-0.6	(²)	-3.7	+10.0	Mo.	104,870	2,240,826	21.37	-8	-1	-6.2	+1.2
Ala.	27,237	448,115	16.45	+1.8	+1.7	+26.5	+107.8	Mont.	11,450	322,990	28.21	-3	+6	-5.0	+12.1
Alaska	1,398	43,932	31.42	-9	+1	-8.0	-3.4	Nebr.	25,909	664,900	25.66	-9	-6	-7.6	+13.4
Ariz.	9,388	367,094	38.29	-2	-1	-4	+2.5	Nev.	2,016	76,216	37.81	-4	-4	-3.0	+15.3
Ark.	26,467	429,611	16.23	-1	+9	+5.4	+16.2	N. H.	6,709	183,244	27.31	-1.0	+3	-3.5	+6.0
Calif.	157,855	7,441,423	47.14	-1	-1	+3.6	+31.1	N. J.	26,008	721,398	27.74	-1	+1.0	-6.8	+9.2
Colo.	41,386	1,703,693	41.17	-1	-1	-1.2	+1.4	N. Mex.	5,190	168,719	32.51	-6	-1.0	+2.8	+73.6
Conn.	14,423	480,078	33.29	-8	(³)	-12.9	-3.7	N. Y.	110,516	3,656,129	33.08	-8	+1.9	-1.0	+16.4
Del.	1,632	22,689	13.90	-2.8	-3	-20.7	-16.2	N. C.	34,360	374,967	10.91	-1.1	-7	-10.0	-6.3
D. C.	2,878	81,585	28.35	-6	-3	-13.2	-9.8	N. Dak.	8,944	235,090	26.28	-5	+1.2	-2.3	+32.4
Fla.	39,028	607,790	17.88	-8	+2.0	-8.1	+13.8	Ohio	127,805	3,590,839	28.10	-1.2	-9	-6.9	-3.4
Ga.	70,360	750,542	10.67	-1.2	-1.0	-4	+11.9	Okla.	77,027	1,989,522	25.83	-2	+3	-9	+16.0
Hawaii	1,494	29,040	19.44	-4	-2	-3.2	+10.8	Oreg.	19,351	593,013	30.65	-8	+1	-4.2	+13.2
Idaho	9,657	288,229	29.85	-2	-5	-3.6	+7.0	Pa.	86,821	2,460,928	28.34	-6	-4	-6.4	+2.0
Ill.	139,562	4,114,612	29.48	-1.7	-1.2	-6.7	-1.2	R. I.	7,283	222,453	30.54	-6	(³)	-7	+19.8
Ind.	60,813	1,438,044	23.65	-7	+1	-9.8	+3	S. C.	20,900	280,839	13.44	-7	-1	-1.1	+30.0
Iowa	52,326	1,423,857	27.21	-8	+5	-4.8	+16.5	S. Dak.	13,433	294,728	21.94	-6	-3	-5.9	+1.4
Kans.	29,059	802,008	27.60	-6	(³)	-4.5	+7.5	Tenn.	38,474	625,756	16.26	-3	(³)	-3.8	+20.6
Ky.	54,637	581,330	10.64	-4	+1	+4.8	+9.1	Tex.	176,813	3,744,152	21.18	-7	-1	-3.0	-3
La.	36,912	785,922	21.29	-2	+6	-2.6	+24.9	Utah.	13,560	495,719	36.63	-4	-4	-2.7	+31.0
Maine	15,299	387,835	25.35	-6	+3	-3.8	+11.5	Vt.	5,333	106,161	19.91	-2	+6	+9	+10.6
Md.	12,815	307,125	23.97	-1.2	+2	-13.1	+1.9	Va.	16,590	198,403	11.95	-1.1	-5	-10.7	(³)
Mass.	77,271	3,067,888	39.70	-6	+3	-5.8	+8.3	Wash.	60,375	2,264,789	37.51	-5	-4	-3.8	+6.7
Mich.	86,709	2,484,761	28.66	-5	-1	-1.9	+23.8	W. Va.	18,555	322,019	17.35	-3	+8	-15.1	-13.3
Minn.	58,410	1,627,772	27.87	-5	+1	-5.2	+14.7	Wis.	48,528	1,305,985	26.91	-4	+1	-6.9	+2.5
Miss.	25,316	245,952	9.72	-1	+8	-1.5	+6.6	Wyo.	3,357	109,034	32.48	+2	+3	-3.8	+16.4

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51.

² All 51 States have plans approved by Social Security Board.

³ Increase of less than 0.05 percent.

⁴ Includes \$97,697 incurred for payments to 2,362 recipients aged 60 but under 65 years.

⁵ Decrease of less than 0.05 percent.

reductions of 29 percent and 51 percent, respectively, that had occurred in January. The average payment, which dropped from \$16.28 to \$11.22 in January, increased to \$14.08 in

February. Other marked changes include decreases of 11 percent in cases and 4.6 percent in payments in Nevada; decreases of 13 percent in cases and 12 percent in payments in New

Jersey; and increases of 6.2 percent in cases and 29 percent in payments in West Virginia, where the average payment increased from \$14.25 to \$17.31.

Table 3.—General assistance: Cases and payments to cases, by State, February 1944¹

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	January 1944 in—		February 1943 in—	
				Number	Amount	Number	Amount
Total ²	284,000	\$7,884,000	\$27.76	-1.7	-0.1	-34.0	-24.3
Ala.	2,561	33,733	13.17	+9	+2.2	+14.0	+50.5
Alaska	123	3,541	28.79	-4.7	-2.8	-7.5	-3.6
Ariz.	2,165	59,652	27.55	+1.5	+2.6	-9.4	+1.4
Ark. ³	2,976	31,657	10.64	-7	-8	-16.5	+16.8
Calif.	11,791	372,838	31.62	-1.7	+1.1	-25.4	-5.5
Colo.	4,815	136,132	28.27	+1.3	+2.9	-17.2	+4.4
Conn.	2,830	88,494	31.27	-3.8	-4.2	-26.1	-19.5
Del.	⁴ 300	⁴ 8,000					
D. C.	860	24,621	28.63	-6	+1.7	-21.7	-8.8
Fla.	⁵ 5,000	⁵ 40,000					
Ga.	2,894	30,315	10.48	-2.8	-3.1	-30.5	-13.0
Hawaii	594	15,310	25.77	+8	(⁶)	-5.7	+11.8
Idaho ⁶	634	11,986	18.91	-2.5	-1.0	-29.5	-20.6
Ill.	32,453	959,769	29.57	-3.1	-5.5	-38.4	-27.2
Ind. ⁷	7,123	136,157	19.12	-4.1	-8.8	-40.3	-31.3
Iowa	5,401	101,326	18.76	-4.3	-6.0	-43.9	-40.3
Kans.	4,025	104,660	26.00	-8	-5	-28.5	-8.6
Ky.	⁸ 2,400	⁸ 34,000					
La.	5,993	127,351	21.25	+1.3	+2.4	+22.3	+32.8
Maine	2,405	70,658	29.38	-1.1	+2.6	-29.2	-17.7
Md.	4,325	127,565	29.49	-2.4	(⁹)	-20.1	-4.2
Mass.	14,593	430,027	29.47	-1.6	-4.5	-23.3	-10.6
Mich.	11,267	322,403	28.61	+1.8	-6	-36.7	-27.4
Minn.	6,890	181,605	26.36	-7	+7	-38.8	-28.0
Miss.	422	2,528	5.99	+7.4	+4.1	-33.9	-14.5
Mo. ⁸	6,817	166,044	24.36	+2.9	+2.4	-31.6	-4.4
Mont.	1,301	28,508	21.91	-2.0	-3.2	-19.3	-1.1
Nebr.	2,047	35,894	17.49	-1.0	-2.9	-37.1	-22.9
Nev.	2,244	⁹ 4,319	18.46	-11.0	-4.6	-36.8	-26.3
N. H.	1,618	43,600	26.95	-6.3	-9.1	-32.3	-25.0
N. J. ¹⁰	6,302	192,400	30.53	-13.1	-12.2	-43.2	-32.5
N. Mex. ¹¹	924	13,011	14.08	+23.0	+54.4	-22.5	-29.0
N. Y.	¹² 50,010	¹² 2,207,720	44.15	-2.8	+3.4	-48.4	-39.0
N. C.	2,866	25,285	8.82	0	-6	-13.5	-4.2
N. Dak.	857	17,683	20.63	-1.4	-1.2	-43.9	-35.9
Ohio	12,849	332,074	25.94	+4	+1.3	-39.6	-24.4
Okla.	¹³ 4,975	¹³ 38,641	(¹⁴)	(¹⁵)	-2.4	(¹⁶)	+10.0
Oreg.	2,881	100,913	35.03	-7	+5.9	-3.4	+25.7
Pa.	25,354	544,378	21.47	-1.2	-5	-24.5	-15.4
R. I.	1,816	66,324	36.52	+1.9	-5.0	-27.1	-21.9
S. C.	2,515	26,708	10.62	+1	+2	+4.4	+35.1
S. Dak.	1,033	21,053	20.38	-5.9	-2.2	-44.2	-31.9
Tenn.	¹⁷ 4,500	¹⁷ 410,700					
Tex.	¹⁸ 3,200	¹⁸ 448,000					
Utah.	1,569	61,178	38.99	0	+5	-18.7	+11.0
Vt.	1,040	22,141	21.29	-8.6	-3.2	-14.5	-8.8
Va.	3,596	48,590	13.51	+1	+1.2	-9.6	+7.5
Wash.	6,245	225,670	36.14	+5	+3	+12.9	+58.8
W. Va.	4,186	72,475	17.31	+6.2	+29.0	-53.8	-28.5
Wis.	6,316	155,445	24.61	-1.7	-1.2	-41.0	-34.8
Wyo.	428	11,133	26.01	+4.4	+3.3	-37.2	-17.8

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51.

² Partly estimated; does not represent sum of State figures, because total excludes estimated number of cases and payments for medical care, hospitalization, and burial only in Indiana and New Jersey, and estimated duplication of cases in Oklahoma.

³ State program only; excludes program administered by local officials.

⁴ Estimated.

⁵ Decrease of less than 0.05 percent.

⁶ Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents approximately 70 percent of total.

⁷ Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

⁸ Includes cases receiving medical care only; number believed by State agency to be insignificant.

⁹ Represents 2,226 cases aided by county commissioners, and 2,746 cases aided under program administered by State board of public welfare; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

Table 4.—Aid to the blind: Recipients and payments to recipients, by State, February 1944¹

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	January 1944 in—		February 1943 in—	
				Number	Amount	Number	Amount
Total	74,819	\$2,108,324	\$28.18	-0.4	+0.1	-4.4	+2.1
Total, 46 States ²	58,702	1,639,914	27.94	-4	+2	+7.9	+19.4
Ala.	681	10,559	15.51	+4	+3.0	+6.2	+57.0
Ariz.	389	14,832	38.13	0	+9	-2.7	+6.1
Ark.	1,201	22,146	18.44	+5	+1.4	+3.0	+15.7
Calif. ³	6,201	293,003	47.25	-1.4	-1.4	-0.5	-9.0
Colo.	540	19,165	35.49	-6	-3	-12.8	-9.6
Conn.	157	5,279	33.62	+4.7	+6.8	-21.1	-13.0
D. C.	243	8,508	35.01	-2.4	-2.3	-16.2	-14.0
Fla.	2,359	45,896	19.46	-5	+2.8	-10.1	+13.8
Ga.	2,148	29,219	13.60	-1.0	-1.0	-2.0	+7.1
Hawaii	74	1,629	22.01	(⁴)	(⁴)	(⁴)	(⁴)
Idaho	227	7,067	31.13	-1.7	-1.1	-15.3	-4.5
Ill. ⁵	6,156	187,314	30.43	(⁶)	-6	-13.7	-8.2
Ind.	2,264	68,958	30.46	-5	+1	-3.1	+4.4
Iowa	1,417	44,829	31.64	-1.0	-7	-6.0	+4.9
Kans.	1,161	34,273	29.52	-1.1	-1	-7.6	+6.1
Ky.	1,593	18,619	12.39	+7	+1.0	+120.1	+122.2
La.	1,470	37,821	25.73	+2	+1.3	+1.0	+27.4
Maine	891	23,436	26.30	-1.2	-3	-11.2	+1.1
Md.	459	12,763	27.81	-1.3	+3	-14.8	+4
Mass.	960	37,696	39.27	+5	+2.4	-6.4	+43.6
Mich.	1,265	41,429	32.75	-4	(⁷)	-6.0	+7.7
Minn.	951	31,439	33.06	-7	+3	-7.2	+5.5
Miss.	1,365	15,516	11.37	-4	(⁸)	+4.0	+11.3
Mo.	⁹ 5,000	⁹ 77,000					
Mont.	298	8,855	29.71	-7	-5	-7.5	+7.6
Nebr.	570	14,199	24.91	-2.2	-1.6	-16.5	-5.8
Nev.	27	1,207	(¹⁰)	(¹¹)	(¹²)	(¹³)	(¹⁴)
N. H.	279	7,678	27.52	-2.8	-2.3	-13.1	-2.5
N. J.	581	16,594	28.56	-1.2	-1	-13.8	-4.4
N. Mex.	262	7,735	29.52	0	+8	+3.5	+33.5
N. Y.	2,765	99,541	36.00	+9	+7.3	+5.3	+27.2
N. C.	2,246	35,859	15.97	-4	-3	+2.0	+5.7
N. Dak.	128	3,407	26.62	-8	+4	-8	+19.2
Ohio	3,299	81,957	24.84	-6	-3	-12.8	-2.4
Okla.	1,940	55,373	28.54	-2	+4	-8.7	+8.9
Oreg.	381	14,344	37.65	+8	+1.2	-11.0	+5.5
Pa.	19,060	390,203	29.81	-3	-1	-4.1	-3.8
R. I.	89	2,535	28.48	(¹⁵)	(¹⁶)	(¹⁷)	(¹⁸)
S. C.	831	14,430	17.36	0	+5	+2.7	+69.6
S. Dak.	232	4,362	18.80	-2.5	-2.1	-5.3	+6.5
Tenn.	1,541	30,828	20.01	-4	-1	-5.9	+41.5
Tex.	4,660	113,760	24.41	+1	-1	+12.2	+17.1
Utah	132	5,279	39.99	-8	-2.4	-6.4	+26.9
Vt.	145	3,790	26.14	-7	-6	-4.6	+10.0
Va.	984	15,245	15.49	+2	+2.5	-5.7	+8.2
Wash.	693	26,494	38.22	-2.0	-2.0	-22.0	-17.0
W. Va.	843	18,589	22.05	-1.2	-3	-13.0	-12.2
Wis.	1,593	43,096	27.05	-9	-4	-11.7	-2.4
Wyo.	128	4,578	35.77	+2.4	+1.1	+3.2	+21.3

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation. Delaware and Alaska do not administer aid to the blind.

² Total for States with plans approved by Social Security Board. Recent approval of Illinois plan causes unusually large percentage changes in comparison with February 1943 data.

³ Includes program administered without Federal participation.

⁴ Not computed. Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

⁵ Increase of less than 0.05 percent.

⁶ No approved plan for February 1943. Percentage change based on program administered without Federal participation.]

⁷ February 1943 was third month of operation under approved plan.]

⁸ Estimated.

Recipient Rates, January 1944¹

About 1 in 5 persons 65 years of age or over in the continental United States received old-age assistance in January 1944, and approximately 1 in

¹ For July 1943 data see the *Bulletin*, October 1943, pp. 29-33.

60 children under 18 years of age received aid to dependent children. The number of recipients of aid to the blind does not relate to a specific age group. Their number is very small in relation to total population—1 person in about 1,725 in the continental United States, or 58 per 100,000 civilians. Persons of all ages also receive general assistance. In the 41 States

that report the number of persons receiving this type of aid, 1 person in 212, or 471 persons per 100,000 civilians, received general assistance in January (table 6).

State differences in recipient rates for each type of assistance are explained in part by the levels of employment and earnings and in part by the eligibility requirements and stand-

Table 5.—Aid to dependent children: Recipients and payments to recipients, by State, February 1944¹

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	January 1944 in—			February 1943 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total ²	268,468	668,958	\$11,333,219	\$42.21	-0.7	-0.7	+0.6	-19.8	-18.0	-7.4
Total, 49 States ³	268,342	668,663	11,329,184	42.22	-0.7	-0.7	+0.6	-19.2	-17.4	-6.9
Alabama.....	4,578	12,526	106,384	23.24	+2	-2	+3.6	-10.0	-11.0	+22.8
Alaska.....	88	117	1,065	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
Arizona.....	1,455	4,164	54,932	37.75	-1.0	-1.0	-6	-19.8	-17.5	-14.2
Arkansas.....	4,871	12,739	125,076	25.68	-4	+2	+6	-14.1	-13.8	-1.1
California.....	6,881	17,404	488,813	71.04	-5	-3	+2	-28.4	-25.8	-12.8
Colorado.....	3,629	9,660	128,665	35.45	+6	+6	+7	-22.7	-19.0	-15.0
Connecticut.....	1,795	4,571	124,687	69.46	-4	-1.3	+1.4	-13.2	-12.6	-2.1
Delaware.....	262	711	14,698	56.10	+2.7	+2.0	+7.6	-22.0	-22.2	+9.7
District of Columbia.....	614	1,928	28,141	45.83	-2.5	-1.5	+3	-35.2	-31.9	-24.0
Florida ⁵	2,840	6,542	77,645	27.34	+4	+8	+1.7	-26.8	-27.3	-23.7
Georgia.....	4,000	9,897	99,788	24.40	-1.7	-2.1	-2.0	-10.3	-9.9	-5.8
Hawaii.....	582	1,810	30,300	52.06	-1.0	-1.2	-2.3	-10.3	-12.1	+2.7
Idaho.....	1,609	4,355	59,286	36.85	-2.4	-2.8	-2.4	-31.6	-29.8	-28.5
Illinois.....	22,692	52,856	737,443	32.50	-2.0	-1.7	-1.9	-13.8	-11.4	-13.6
Indiana.....	8,112	18,069	274,989	33.90	-2.4	-2.3	-2.2	-32.3	-29.6	-29.0
Iowa.....	2,548	6,344	68,204	26.77	+15.6	+14.6	+15.2	-8.1	+2.3	+28.5
Kansas.....	3,788	9,510	172,046	45.42	-2.2	-2.7	-2.2	-29.8	-28.2	-16.7
Kentucky.....	3,557	9,900	85,357	24.00	+4.4	+5.1	+2.7	+451.5	+289.1	+284.2
Louisiana.....	10,495	26,801	409,529	38.16	-6	-6	-6	-20.5	-20.8	+3.9
Maine.....	1,454	4,118	75,242	51.75	-1.1	-9	+6	-15.9	-15.0	-2.9
Maryland.....	3,004	8,582	107,904	35.92	-1.0	-8	-5	-28.7	-27.5	-25.0
Massachusetts.....	7,338	18,009	545,161	74.29	-1	-5	+4	-19.8	-21.1	-9.1
Michigan.....	13,253	31,643	793,739	59.89	-1.2	-1.2	-1.0	-20.1	-18.8	-2
Minnesota.....	5,755	14,144	227,764	39.58	-1.0	-1.1	-3	-24.0	-22.7	-15.9
Mississippi.....	2,708	6,873	55,892	20.64	(⁴)	+2	+3	+10.7	+10.1	+13.0
Missouri.....	11,186	27,347	363,854	32.53	-3	+1	+3	-15.1	-10.8	-11.0
Montana.....	1,518	3,784	50,240	33.14	-9	-2	(⁴)	-26.2	-27.7	-24.4
Nebraska ¹⁰	3,025	7,024	98,763	32.65	-2.1	-1.7	-1.7	-29.0	-28.3	-27.1
Nevada.....	88	178	8,079	25.62	(⁴)	(⁴)	(⁴)	-24.8	-23.3	-23.0
New Hampshire.....	708	1,815	39,718	56.10	-1.3	-1.5	-1.3	-15.0	-13.0	-6.6
New Jersey.....	4,109	9,830	186,574	45.41	-2.1	-2.2	-1.4	-35.7	-33.3	-9.8
New Mexico.....	2,225	6,408	78,100	35.10	+9	+3	+7	-5.2	-6.2	-9.5
New York.....	18,285	41,433	1,300,957	71.15	+1	+5	+7.6	-17.3	-8.5	+8.8
North Carolina.....	6,786	16,288	135,950	20.03	-7	-1.0	+5	-22.3	-20.6	-12.5
North Dakota.....	1,729	4,791	72,571	41.97	-1.1	-1.1	+1.8	-17.9	-18.0	+4
Ohio.....	8,629	23,180	423,645	49.10	-2	+1	-8	-17.0	-15.1	-4
Oklahoma.....	13,790	33,097	443,238	32.14	-7	-3	-4	-17.8	-15.6	+15.7
Oregon.....	1,194	2,882	80,175	67.15	-1.3	-7	+6	-24.0	-21.9	-5.3
Pennsylvania.....	25,052	65,570	1,323,606	52.83	-2.0	-2.1	-1.0	-30.1	-28.4	-23.8
Rhode Island.....	1,120	3,009	72,296	64.55	-7	-5	-1.2	-8.1	-8.3	+5.3
South Carolina.....	3,405	10,053	76,343	22.42	-7	-1.7	(⁴)	-9.9	-8.7	+19.3
South Dakota.....	1,567	3,669	49,341	31.49	-1	-2	(⁴)	-13.7	-13.1	-9.4
Tennessee.....	11,354	29,166	329,724	29.04	-8	-9	-6	-16.1	-14.6	+19.5
Texas.....	9,826	21,733	208,783	21.25	-1.1	-1.4	-1.2	-15.8	-17.6	-16.5
Utah.....	1,910	5,165	133,799	70.05	+6	+1.3	+2.7	-16.1	-14.4	+23.1
Vermont.....	578	1,469	19,011	32.89	0	-2	-2	-11.5	-14.9	-12.7
Virginia.....	3,801	10,786	93,922	24.71	-5	-4	+4	-16.7	-16.9	-3.2
Washington.....	3,267	11,800	262,932	80.48	+3	-	+1.4	-9.1	-	+27.7
West Virginia.....	7,248	19,629	227,056	31.33	-5	-6	+5	-31.5	-32.1	-29.3
Wisconsin.....	6,948	16,696	344,718	49.61	-8	-9	(⁴)	-24.7	-23.6	-12.7
Wyoming.....	394	1,045	17,054	43.28	-2.0	-3.5	-2.4	-30.0	-30.6	-12.5

¹ For definitions of terms, see the *Bulletin*, September 1941, pp. 50-51. Figures in italics represent programs administered without Federal participation.

² Includes program administered in Florida under State law without Federal participation. See footnote 5.

³ Total for States with plans approved by Social Security Board.

⁴ Not computed. Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

⁵ In addition, in 23 counties payments amounting to \$14,129 were made from local funds without State or Federal participation to 780 families, in behalf of 1,688 children under State mothers' assistance law.

⁶ No approved plan for February 1943. Percentage change based on program administered without Federal participation.

⁷ Includes program administered without Federal participation.

⁸ February 1943 was second month of operation under approved plan.

⁹ Decrease of less than 0.05 percent.

¹⁰ In addition, in 58 counties payments amounting to \$4,629 were made from local funds without State or Federal participation to 236 families, in behalf of 487 children under State mothers' pension law; some of these families also received aid under approved plan.

¹¹ Estimated.

Table 6.—*Recipient rates, by State, and ranking of the States by such rates for four assistance programs, continental United States, January 1944*

State	Recipient rates				Rank of State according to recipient rate			
	Persons receiving old-age assistance per 1,000 population age 65 and over ¹	Children receiving aid to dependent children per 1,000 population under 18 years ²	Persons receiving aid to the blind per 100,000 civilian population ³	Persons receiving general assistance per 100,000 civilian population ⁴	Old-age assistance ¹	Aid to dependent children ²	Aid to the blind ³	General assistance ⁴
Total	215	17	58	471				
Alabama	177	11	25	127	36	38	37	40
Arizona	355	23	68	939	7	11	12	2
Arkansas	222	17	69	296	23	21	10	30
California	257	10	80	262	15	39	6	33
Colorado	416	28	51	1,063	3	4	24	1
Connecticut	102	10	9		44	40	47	
Delaware	75	9			48	43		
District of Columbia	62	13	30	142	49	29	36	39
Florida	277	14	118		12	28	2	
Georgia	408	9	73	205	4	44	8	36
Idaho	272	25	49	229	13	8	26	35
Illinois	227	26	81	871	22	7	5	4
Indiana	198	18	67	517	31	16	13	13
Iowa	218	7	63	611	25	48	16	9
Kansas	174	18	70		37	17	9	
Kentucky	271	9	59		14	45	19	
Louisiana	282	32	63	324	9	2	17	26
Maine	182	15	115	787	35	25	3	7
Maryland	96	16	23	491	46	24	40	15
Massachusetts	194	15	23	608	32	26	41	8
Michigan	238	20	24	478	18	15	38	17
Minnesota	257	17	38	553	16	22	32	11
Mississippi	203	8	69	36	28	47	11	41
Missouri	303	25		409	8	9		21
Montana	279	22	64	519	10	13	15	12
Nebraska	231	18	50	358	20	18	25	23
Nevada	253	6	21	313	17	49	44	28
New Hampshire	131	13	63	930	40	30	18	3
New Jersey	83	9	14	286	47	46	45	32
New Mexico	203	30	53	298	29	3	22	29
New York	108	12	22	828	43	34	43	6
North Carolina	199	12	67	189	30	35	14	38
North Dakota	205	21	24	321	27	14	39	27
Ohio	219	12	49	357	24	36	27	24
Oklahoma	489	40	98		1	1		
Oregon	192	10	32	421	33	41	35	20
Pennsylvania	116	23	142	348	42	12	1	25
Rhode Island	123	15	13	585	41	27	46	10
South Carolina	232	13	46	200	19	31	29	37
South Dakota	279	17	44	396	11	23	31	22
Tennessee	207	28	55		26	5	20	
Texas	464	10	74		2	42	7	
Utah	408	25	23	443	5	10	42	19
Vermont	147	13	46	832	39	32	30	5
Virginia	98	12	35	260	45	37	34	34
Washington	380	18	37	481	6	19	33	16
West Virginia	166	27	49	498	38	6	28	14
Wisconsin	186	18	55	466	34	20	21	18
Wyoming	231	13	53	290	21	33	23	31

¹ Population aged 65 and over as of April 1944, estimated by the Social Security Board. Rate may be understatement and rank of State lowered for some States because only 1 recipient is reported when a single payment is made to husband and wife, both over 65.

² Population under 18 years of age as of Apr. 1, 1940, from the U. S. Bureau of the Census. For Nevada, rate is for program administered under State law without Federal participation; for Florida and Kentucky, rates include such programs.

³ Civilian population as of November 1943, from preliminary estimates of the U. S. Bureau of the

Census, based on data from sugar-ration registrations. For Nevada and Pennsylvania, rates are for programs administered under State law without Federal participation; for California and Illinois, rates include such programs. Missouri data not currently available. Delaware does not administer aid to the blind.

⁴ Civilian population, see footnote 3. For Indiana and New Jersey, rates include unknown number of persons receiving medical care, hospitalization, and burial only. Number of persons aided not currently available for Connecticut, Delaware, Florida, Kansas, Kentucky, Oklahoma, Tennessee, and Texas.

ards of assistance in the various States. The rank of some States in the general assistance column would be changed if it were possible to include data for all States.

Recipient rates for old-age assistance ranged from 489 per 1,000 aged persons in Oklahoma to 62 in the District of Columbia. Rates for aid to dependent children varied from 40 per 1,000 population under 18 in Oklahoma to 6 in Nevada, where the program of mothers' aid is administered without Federal participation. Pennsylvania aids 142 blind persons per 100,000 population under a State program for the blind; Connecticut at the other extreme, gives aid to the blind to 9 persons per 100,000 civilians. Colorado has a recipient rate of 1,063 for general assistance in contrast to a rate of 36 in Mississippi at the other end of the range.

The recipient rates for aid to dependent children are based on State population as of April 1, 1940. Because of extensive migration of families in some parts of the country since that time, inaccuracies in these rates are inevitable, and State comparisons are somewhat invalidated. The rates shown are too low for States which have had considerable out-migration and too high for those where there has been substantial in-migration of families with children. The extent to which the child population may have been changed in areas especially affected by wartime migration of families is illustrated by the findings of a school survey in the District of Columbia; about 1 child in 15 enrolled in the District schools for 1942-43 was a registrant new to the District.² Rates for Alaska and Hawaii have been omitted because of the absence of reliable estimates of present population.³

² Tabulation showing the number of pupils who are new to Washington, D. C., and who are attending the public schools of the District of Columbia for the first time this school term. District of Columbia, Board of Education, Office of the Statistician, Oct. 28, 1942.

Employment Security

Operations in Unemployment Compensation

February activities.— Unemployment benefits continued upward for the third consecutive month, when disbursements increased 17 percent in February. Although more than two-thirds of the States reported increases, which ranged from 2 percent in Massachusetts and North Carolina to more than 50 percent in 12 States,¹ only a few reached the benefit levels of February 1943, and the national total was 43 percent less. Payments in the first 2 months of 1944 were 6 percent less than expenditures during January 1943 alone. Of the 12 States with increases of more than 50 percent over the previous month, only Alaska, Arizona, and Utah paid out more this February than last.

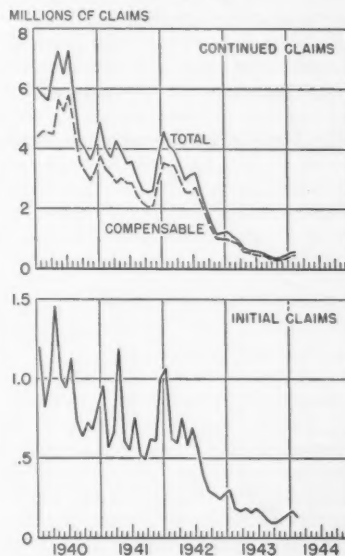
The recent upward trend in initial-claim receipts was reversed in February, when claims received in local offices declined 20 percent. This decrease follows the pattern established in previous years; January claim loads are usually inflated by seasonal fluctuations in unemployment and ad-

ministrative factors, while February has actually fewer working days in which claims may be filed.

Although seasonal fluctuations will always be reflected in the January-February claims data in future years, it is probable that the administrative factors referred to above will no longer be of sufficient magnitude to affect the data. These factors operated in States which began benefit payments in January of 1938 or 1939 under laws providing individual benefit years. In these States, claimants who exhausted all wage credits during the first year of benefits had to wait until the following January before establishing a new base period and filing claims again. With each succeeding year, however, this group of claimants has become smaller as the pattern of individual benefit years changed. This factor is reflected in the 1944 data only, because of the currently low volume of claims and benefit payments. If, however, the conversion from wartime to peacetime production is so sudden that it results in a large concentration of claims in 1 or 2 months, claim figures for those months will be inflated for some years.

During February only 3 States—Connecticut, Michigan, and Montana—received more initial claims than in the preceding month. Despite current labor shortages in some

Chart 1.—Number of continued and initial claims received in local offices, January 1940–February 1944



industries in Connecticut, lay-offs resulting from war contract cancellations are in part responsible for the increased claim loads in this State during January and February.

The upward trend was maintained with respect to continued claims, though the increase over the previous month was at a lower rate (4 percent)

Chart 2.—Number of beneficiaries and amount of unemployment benefits paid, January 1940–February 1944

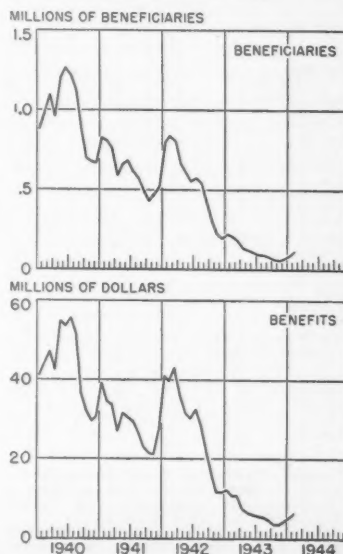


Table 1.—Summary of unemployment compensation operations, February and January–February 1944

Item	February 1944			January–February 1944		
	Number or amount	Percentage change from—		Number or amount	Percentage change from—	
		January 1944	February 1943		January–February 1943	January–February 1942
Initial claims ¹	135,580	-19.9	-25.9	304,891	-36.9	-81.9
Continued claims ¹	583,825	-4.0	-47.1	1,105,909	-52.0	-87.4
Waiting-period	94,839	-18.6	-43.3	211,308	-50.9	-87.5
Compensable	468,986	+10.2	-47.8	894,591	-52.3	-87.3
Weeks compensated	415,774	+14.1	-50.2	780,078	-56.4	-88.7
Total unemployment	377,662	+17.2	-50.0	699,904	-56.1	-88.9
Part-total unemployment ²	11,932	+24.2	-44.0	21,541	-49.8	-88.3
Partial unemployment ²	23,377	-19.9	-40.2	52,567	-50.4	-87.7
Weekly average beneficiaries	103,954	+23.6	-50.2			
Gross benefits paid	\$6,156,457	+16.7	-43.4	\$11,433,729	-50.4	-85.9
Benefits paid since first payable ⁴	\$2,122,885,072					
Funds available as of February 29 ³	\$4,984,064,828	+3.4	+36.2			

¹ Excludes Alaska for January and February, and Hawaii for February; data not reported.

² Excludes New York because data not reported, and Montana and Pennsylvania, which have no provisions for partial and part-total unemployment.

³ Based on 46 States reporting comparable data.

⁴ Adjusted for voided benefit checks. Includes Hawaii, Pennsylvania, and Rhode Island through January 31; February data not reported.

⁵ As of January 31 in Hawaii, Pennsylvania, and Rhode Island.

⁶ Based on data for 48 States.

than in the months immediately preceding. Compensable-claim receipts, which represented 83 percent of the load and which reflected the January rise in initial claims, increased 10 percent over the previous month's level. Increases of 25 percent or

more in continued-claim receipts were reported by 14 States, while only Maryland and Mississippi reported decreases of 20 percent or more. A decrease in the volume of continued claims received during the coming month may be expected as a result

of the drop in initial-claim receipts during February.

For the first time since June 1943, the weekly average of unemployed workers receiving benefits exceeded 100,000. All States except Florida, Kentucky, Maryland, South Carolina,

Table 2.—Number of beneficiaries, number of weeks compensated, and amount of benefits paid, February 1944, and funds available for benefits as of February 29, 1944, by State

[Data reported by State agencies, corrected to Mar. 22, 1944]

Social Security Board region and State	Beneficiaries			Weeks compensated for specified types of unemployment				Benefits paid ¹			Funds available for benefits ⁴ as of Feb. 29, 1944 ⁵
	Average weekly number ¹	Percentage change from—		All types	Total	Part-total ²	Partial ³	Amount	Percentage change from—		
		January 1944	February 1943						January 1944	February 1943	
Total	103,954	+23.6	-50.2	415,774	377,662	11,932	23,377	\$6,156,457	+16.7	-43.4	\$4,984,064,828
Region I:											
Connecticut	1,126	+42.2	-5.7	4,503	4,351	45	407	79,129	+33.6	+9.0	129,411,301
Maine	1,222	+4.0	-31.0	4,889	4,266	125	498	43,731	-1.3	-26.2	25,244,741
Massachusetts	4,447	+12.3	-16.3	17,786	15,366	177	2,243	262,159	+2.1	+1.8	178,668,385
New Hampshire	549	+20.7	-6.9	2,194	1,705	8	481	22,994	+13.6	-1.8	16,871,949
Rhode Island	1,667	+3.0	-9.5	6,668	6,102	0	566	106,965	-4.9	+9	49,389,058
Vermont	115	+8.5	-68.3	459	427	17	15	5,159	-3.0	-67.3	9,186,618
Region II-III:											
Delaware	117	+77.3	-81.5	466	415	12	39	6,851	+68.7	-68.4	12,750,690
New Jersey	6,197	+8.0	-43.5	24,789	22,720	69	2,000	384,714	+3.0	-37.7	326,060,035
New York	15,810	+15.5	-67.2	63,238	60,435	(1)	(1)	976,960	+7.6	-63.1	656,716,690
Pennsylvania	4,391	+14.7	-56.2	17,565	17,565	(1)	(1)	264,470	+4.8	-52.5	475,391,389
Region IV:											
District of Columbia	1,164	+43.7	+50.8	4,655	4,515	132	8	82,481	+33.6	+82.3	40,054,156
Maryland	1,096	-7.1	-48.9	4,384	3,314	33	1,037	64,513	-10.7	-37.6	90,021,815
North Carolina	1,227	+9.7	-67.1	4,907	4,674	34	199	35,899	+2.2	-63.2	75,202,000
Virginia	755	+3.4	-56.6	3,018	2,895	58	65	36,383	-3.4	-50.2	49,865,008
West Virginia	1,260	-7.8	-6	5,039	4,182	0	857	71,192	-13.1	+17.3	52,510,046
Region V:											
Kentucky	1,752	-2.9	-27.4	7,007	6,533	338	136	73,675	-11.5	-13.8	67,528,882
Michigan	5,924	+60.8	-33.8	23,695	23,242	221	232	436,126	+48.2	-26.1	219,574,769
Ohio	2,946	+40.9	-42.1	11,782	10,436	247	1,099	159,485	+32.2	-35.7	353,161,764
Region VI:											
Illinois	10,147	+10.2	-52.2	40,588	34,723	2,343	3,522	625,731	+4.7	-48.1	401,150,853
Indiana	4,774	+59.0	-38.3	19,096	18,165	380	551	305,276	+52.0	-26.9	132,387,883
Wisconsin	4,332	+25.4	+61.0	17,327	15,619	492	1,216	231,910	+13.6	+64.3	119,946,176
Region VII:											
Alabama	1,104	+1.9	-78.5	4,416	3,900	505	11	51,339	-7.4	-76.7	50,651,455
Florida	841	-8.5	-61.8	3,364	2,945	201	218	43,252	-15.3	-58.6	35,965,248
Georgia	1,276	+31.7	-64.0	5,102	4,948	52	102	51,245	+15.7	-64.0	56,508,749
Mississippi	512	+3.4	-68.8	2,047	1,432	57	558	20,440	-3.7	-71.5	16,195,944
South Carolina	770	-2.8	-63.5	3,081	2,981	59	41	33,658	-10.5	-58.0	28,758,757
Tennessee	2,645	+22.5	-55.7	10,579	10,194	250	135	118,625	+12.6	-52.8	52,697,469
Region VIII:											
Iowa	930	+78.5	-57.2	3,719	3,291	295	133	39,900	+54.5	-56.8	42,874,382
Minnesota	1,681	+93.9	-66.9	6,723	5,983	353	387	90,922	+81.6	-64.5	58,275,872
Nebraska	419	+102.4	-59.3	1,675	1,343	72	260	21,334	+84.8	-57.6	19,183,447
North Dakota	62	(6)	-77.6	246	177	12	57	2,902	+29.0	-73.4	3,876,702
South Dakota	156	+81.4	-18.3	622	455	16	151	5,460	+63.4	-23.6	5,388,649
Region IX:											
Arkansas	647	+3.4	-38.7	2,588	2,518	58	12	28,023	-8.7	-15.2	20,788,358
Kansas	1,226	+21.0	-25.1	4,902	4,527	250	125	64,275	+12.6	-15.8	37,067,387
Missouri	2,615	+34.5	-66.8	10,458	9,645	105	708	154,582	+30.9	-63.6	117,281,546
Oklahoma	990	+22.7	-26.6	3,961	3,637	244	80	56,619	+11.4	-18.3	36,314,555
Region X:											
Louisiana	1,213	+22.9	-69.9	4,851	3,297	90	1,464	58,031	+6.7	-66.8	50,378,620
New Mexico	32	(6)	(6)	126	123	0	3	1,653	+71.3	-69.3	7,021,266
Texas	893	+20.0	-69.4	3,570	3,336	234	0	39,590	+7.4	-64.7	117,260,299
Region XI:											
Colorado	339	+37.2	+20.2	1,355	1,172	58	125	17,384	+21.0	+18.8	26,299,964
Idaho	128	+64.1	-71.2	512	494	18	0	7,483	+47.7	-71.7	10,280,089
Montana	230	+105.4	-55.2	921	921	(2)	(2)	11,355	+90.7	-54.7	12,732,947
Utah	257	+91.9	+44.5	1,429	1,377	47	5	26,986	+80.6	+74.7	17,772,344
Wyoming	6	(6)	(6)	25	24	1	0	431	+100.5	-84.9	5,886,454
Region XII:											
Arizona	300	+122.2	+44.9	1,199	1,120	79	0	16,984	+104.8	+49.8	13,481,264
California	12,475	+50.2	-23.7	49,898	42,666	3,999	3,233	857,224	+44.5	-12.3	490,542,515
Nevada	52	+4.0	-43.5	206	195	5	6	3,024	-4.1	-42.1	7,185,191
Oregon	349	+29.3	-75.4	1,394	1,207	60	127	18,965	+15.9	-68.6	48,024,272
Washington	577	+16.6	-70.1	2,309	1,683	67	559	32,684	+6.6	-69.6	94,839,120
Territories:											
Alaska	92	(6)	+22.7	366	350	7	0	4,981	+231.0	+29.2	4,927,491
Hawaii	19	(6)	(6)	75	62	7	6	1,388	+38.5	-63.8	14,504,264

¹ Computed by dividing all weeks compensated during the month by 4.

² Benefits for partial and part-total unemployment are not provided by State law in Montana and Pennsylvania. New York data not available.

³ Not adjusted for voided benefit checks.

⁴ Represents sum of balances at end of month in State clearing account and benefit-payment account, and in State unemployment trust fund account main-

tained in the U. S. Treasury. State unemployment trust fund accounts reflect transfers to railroad unemployment insurance account.

⁵ As of Jan. 31, 1944, in Hawaii, Pennsylvania, and Rhode Island.

⁶ Not computed, because fewer than 50 beneficiaries were reported in either or both periods.

and West Virginia reported greater numbers of beneficiaries than during January. The 104,000 average weekly number of beneficiaries and the 416,000 compensated weeks of unemployment represented increases of 24 and 14 percent, respectively. In both cases, however, these volumes constituted

only half the levels recorded a year earlier.

Net collections during the first 2 months of 1944 amounted to \$304 million. At the end of February, approximately \$5 billion was available for future benefits, 36 percent more than in February 1943.

Duration of Benefit Payments in Canada in 1942*

The year 1942 was the first year of benefit payments under the Canadian Unemployment Insurance Act. Because of general interest in a new program, Canadian experience with duration of benefit payments is summarized briefly, although it is not comparable with experience under State unemployment compensation laws, discussed elsewhere in this issue (pp. 16-23). While the United States was just entering its war economy, 1942 was Canada's third year of the war. In Canada in 1942, as in some States in 1938, the period of past experience available for use in establishing benefit rights was substantially shorter than the maximum period provided in the benefit formula. Moreover, the benefit formula in the Canadian act differs from that in any State law. Finally, the Canadian data refer to claims and payments made during the calendar year, while the State data relate to benefit years ending in the calendar year.

Significant Provisions of Canadian Act

Contributions under the Canadian Unemployment Insurance Act became payable on July 1, 1941. Since 180 days of contributions are required for eligibility for benefits, no benefit years could have been set up before January 27, 1942, and in fact none were established until February. Benefits are paid for "working days" of unemployment, up to 6 days in a calendar week, with a waiting period of 9 days. A benefit year is established by a valid claim—that is, a claim filed by a worker who meets the financial requirements for eligibility—and runs for 12 months or until the claimant exhausts his rights, whichever period is the shorter.

Weekly benefit amount and eligibility are determined by employment and earnings experience in the 2 years preceding the claim. Duration equals

Table 3.—Initial and continued claims received in local offices, by State, February 1944
[Data reported by State agencies, corrected to Mar. 23, 1944]

Social Security Board region and State	Initial claims				Continued claims			
	Total ¹	Percentage change from—		New	Total ²	Percentage change from—		Compensable
		January 1944	February 1943			January 1944	February 1943	
Total ³	135,580	-19.9	-25.9		563,825	+4.0	-47.1	468,986
Region I:								
Connecticut.....	3,035	+9.8	+73.0	2,533	5,449	+25.0	+20.2	4,254
Maine.....	921	-45.0	+84.2	454	5,365	-9.6	-29.4	5,001
Massachusetts.....	5,903	-24.8	-16.6	3,247	30,737	-18.0	+25.0	27,826
New Hampshire.....	446	-49.9	-24.0	229	2,485	-6.3	-11.4	2,273
Rhode Island.....	1,555	-9.9	-36.4	1,211	6,207	-5.8	-16.3	5,847
Vermont.....	111	-35.1	-54.5	90	740	+8.3	-67.8	652
Region II-III:								
Delaware.....	197	-9.6	-54.5	171	524	+39.7	-80.8	458
New Jersey.....	7,428	-24.6	-34.3	5,187	29,738	-3.2	-44.1	25,342
New York.....	24,741	-15.0	-26.8	10,808	81,062	+5.6	-62.6	57,806
Pennsylvania ⁴	4,603	-14.9	-55.4	4,603	25,641	+3.0	-67.0	20,181
Region IV:								
District of Columbia.....	663	-30.9	+37.0	603	5,321	+23.7	+57.1	4,887
Maryland.....	393	-53.2	-45.3	393	3,969	-25.5	-54.1	3,705
North Carolina.....	1,574	-7.2	-22.4	1,197	6,416	+4.4	-58.8	5,506
Virginia.....	455	-24.4	-66.9	358	2,605	-10.3	-66.0	2,464
West Virginia.....	1,207	-50.1	+21.3	941	6,305	-17.4	+6	5,767
Region V:								
Kentucky.....	1,732	-23.9	-23.7	1,497	11,153	+5	-19.8	10,448
Michigan.....	10,788	+9.5	+62.7	8,896	29,495	+33.0	-23.1	25,047
Ohio ⁵	4,167	-27.4	-9.0	4,167	17,612	+6.8	-37.8	12,749
Region VI:								
Illinois.....	14,134	-20.5	-37.6	5,931	46,973	-10.2	-51.5	43,129
Indiana.....	4,242	-17.6	-7	4,242	21,599	+33.8	-40.8	18,225
Wisconsin.....	2,655	-21.3	-8.7	(⁶)	21,716	-4.3	+39.4	18,454
Region VII:								
Alabama.....	991	-39.7	-64.5	743	5,596	-4.4	-77.5	4,988
Florida.....	1,268	-47.1	-38.3	1,268	8,965	-11.6	-47.9	8,552
Georgia.....	1,048	-6.5	-56.6	786	6,369	+8.6	-65.8	5,158
Mississippi.....	541	-38.9	-66.3	462	3,222	-19.9	-69.0	2,833
South Carolina.....	1,142	-70.8	-58.9	953	5,254	-38.6	-61.3	4,528
Tennessee.....	1,734	-17.6	-48.4	1,444	14,024	+13.6	-53.1	12,529
Region VIII:								
Iowa.....	1,174	-43.2	-39.4	1,038	6,574	+40.9	-40.1	4,662
Minnesota.....	3,274	-14.2	-48.7	2,617	10,374	+7.3	-65.5	7,761
Nebraska.....	326	-35.6	-52.6	263	1,764	+46.6	-69.5	1,399
North Dakota.....	76	-25.5	-53.7	69	418	+29.8	-71.6	392
South Dakota.....	139	-12.6	+12.1	113	1,069	+49.3	+19.4	975
Region IX:								
Arkansas.....	851	-27.2	-24.6	707	5,059	-4.7	-26.3	4,638
Kansas.....	704	-40.5	-49.1	500	3,977	-14.5	-50.4	3,516
Missouri.....	4,855	-16.7	-23.3	3,986	18,325	+7.7	-55.8	14,888
Oklahoma.....	1,431	-32.3	-31.2	1,164	7,100	+3.5	-27.1	6,414
Region X:								
Louisiana.....	1,696	-22.5	-61.5	1,445	7,763	-9.9	-70.3	6,146
New Mexico.....	101	-9.8	-55.3	92	423	+16.2	-52.1	409
Texas.....	2,183	-4.5	-44.3	(⁶)	10,774	+11.2	-49.3	9,791
Region XI:								
Colorado.....	434	-34.2	-29.4	326	1,927	+4.1	-49.6	1,629
Idaho.....	185	-5	-66.7	126	828	+25.6	-76.8	662
Montana.....	424	+37.2	+26.5	402	1,958	+130.4	-32.2	1,345
Utah.....	425	-15.9	+95.0	338	1,736	+56.1	+115.7	1,505
Wyoming.....	16	(⁶)	(⁶)	15	76	(⁶)	-72.0	60
Region XII:								
Arizona.....	644	-26.7	+54.4	587	2,590	+31.5	+28.5	2,319
California.....	16,287	-16.7	+21.9	10,129	69,640	+27.4	-10.4	56,615
Nevada.....	69	-14.8	-47.3	58	307	+35.2	-51.0	269
Oregon.....	1,097	-10.4	-54.4	973	3,076	-6.8	-68.9	2,139
Washington.....	1,515	-22.0	-58.8	1,034	3,525	-8.4	-74.6	2,852
Territories:								
Alaska ⁷								
Hawaii ⁸								

¹ Includes additional claims, except in Florida, Indiana, Maryland, Ohio, and Pennsylvania.

² Includes waiting-period claims.

³ Excludes Alaska and Hawaii; data not reported.

⁴ Includes 4,194 noncompensable claims in Illinois.

⁵ State procedures do not provide for filing additional claims.

⁶ Excludes all claims for partial unemployment.

⁷ Data not comparable.

⁸ Data not available.

⁹ Not computed, because fewer than 50 claims were reported in either or both periods.

*Based on "Annual Report on Benefit Years Established Under the Unemployment Insurance Act, Calendar Year 1942," Social Analysis Branch, Dominion Bureau of Statistics, Department of Trade and Commerce.

the difference between $\frac{1}{2}$ the number of days for which contributions have been paid in the past 5 years, and $\frac{1}{3}$ the number of days of benefits paid in the past 3 years. That is, if a worker had 370 days of covered employment in the 5 years preceding his claim, and had drawn benefits for 60 days in the 3 years preceding the claim, he would be entitled to 54 days of benefits. The minimum duration is 36 days, or 6 weeks. After a full 5 years' experience becomes available, a worker who has been fully employed for $\frac{1}{2}$ years will be able to draw 52 weeks of benefits. No claimant in 1942 could have had a potential duration of more than 93 days, i. e., 15.5 weeks, based on a maximum of $1\frac{1}{2}$ years of contributions after July 1, 1941.

Benefit amounts depend partly on average contributions, and partly on the claimant's family status. The weekly rates for an individual without dependents range from \$4.08 to \$12.24, and for an individual with dependents, from \$4.80 to \$14.40.

Duration of Benefit Payments

In 1942, the number of workers with prospective rights under the Canadian law approximated the number in Ohio; insurance books for the year 1942-43 were issued to 2.4 million Canadians between April 1 and August 31, 1942, compared with an estimated 2.6 million persons in Ohio with wage credits in 1941. California and Illinois also had between 2.6 and 3 million workers with 1941 wage credits. Canada's claim load, however, was much closer to New Hampshire's; 17,200 eligible claims were filed in Canada, compared with 16,600 in New Hampshire and 151,200 in Ohio in 1942.

Because a Canadian claimant's benefit year ends with his exhaustion of rights and a new one can be established if he works in covered employment for at least 60 additional days, potential duration of benefits comparable to that for the States cannot be determined. The 17,200 persons who established benefit years in 1942, however, were entitled to an average of 48 days, or 8 weeks, of benefits. The average number of days available to the 9,900 claimants who drew some benefits was 47.5 days per beneficiary. Since, however, maximum potential duration of benefits in 1942 was 93 days (15.5 weeks) while the maximum will

eventually be 312 days (52 weeks), potential duration in 1942 cannot be considered typical.

In spite of the short potential duration, only 18.6 percent or 1,800 of the beneficiaries exhausted their rights. Beneficiaries included, however, an undetermined number who established their benefit years so close to the end of the calendar year that they could not have exhausted their benefits until some time in 1943. As in the States, the exhaustion ratio was higher in the lower benefit rates. One-third of the beneficiaries with weekly rates below \$4.80 exhausted their rights, while less than $\frac{1}{4}$ of those whose weekly rates were \$10.20 or more drew all their benefits.

Of the claimants who exhausted their rights, 40 percent received benefits for the minimum duration of 6 weeks, and 79 percent for not more than 8.2 weeks; 3 claimants drew benefits for 13 weeks.

Employment Service Operations*

The total civilian labor force declined in February for the seventh consecutive month, according to estimates of the Bureau of the Census. The decline of 400,000 was equally divided between men and women workers and between persons who were employed and those who were not. The current estimate of 51.1 million persons, 14 years and over, in the total labor force compares with 54.4 million in February 1942; the decline has occurred entirely in the number of unemployed persons, which fell from 4.2 million to 900,000. The number of male "nonworkers" has remained unchanged at 6.7 million for 3 months, while the number of women who were out of the labor market rose from 35.1 million to 35.7 million. It is unlikely that the male labor force can expand while inductions for military service continue at their present rate, and intensive recruitment drives and expansion of day-care for children are imperative if more women are to be drawn into the labor market.

Selective Service estimated on

*Data from Reports and Analysis Service, War Manpower Commission, and from published releases of other Government agencies.

March 1 that about a quarter of a million young men who had been deferred in industry or agriculture would have to be inducted for military service before July 1 if Army and Navy quotas are to be met. Of some 5.4 million men in this status, 1.2 million were under 26 years of age. Selective Service will have to supply slightly more than a million men in the 4 months ending July 1; about half this number will probably come from among the men now classed as 1-A, but deferments of all men between 18 and 38 who are in classes II-A, II-B, II-C, and III-C will be reviewed.

At the beginning of March some 3.6 million men had been rejected for military service, of whom about 99 percent had been disqualified for physical or mental reasons. The leading causes for rejections continue to be: mental disease, 15.1 percent; mental and educational deficiency, 13.9; syphilis, 8.0; musculoskeletal defects, 7.5; cardio-vascular defects, 6.4; hernia, 5.8; neurological, 5.3; eyes, 5.3.

Labor-Market Developments

Classification of labor-market areas.—Seven communities formerly designated as areas of acute labor shortage (Group I) were shifted to the group of labor-stringency (Group II) areas in War Manpower Commission's classification list as of April 1, and 1 area was changed from Group II to Group I. At that time, 67 areas were in Group I, 5 less than on March 1; 116, as against 110, were in Group II.

Minimum workweek.—On February 1, employers in 133 areas were subject to the 48-hour minimum workweek; more than two-thirds of these areas are in WMC regions 5, 6, 7, and 12, where the greatest concentration of labor-shortage areas has developed.

Accessions and separations.—At the end of 1943, for the first time since the war began, new hirings in manufacturing industries fell substantially below separations; in December the rates were 5.10 and 6.39 per 100 employees, respectively. The decline in hirings, combined with an increase in the lay-off rate in December (0.94 per 100 employees) resulted in an over-all decline in manufacturing employment. The highest lay-off rate among major industries was reported by chemical groups (4.5 per 100 employees). Contract cancellations resulted in a lay-off rate of 13.65 per 100 employees for the

small arms ammunition industry, which has accumulated large stockpiles; more women were laid off (18 out of every 100) than men (12 in 100).

West Coast manpower program.

In the period November 15-January 1, turn-over in major plants in the 5 West Coast areas was substantially reduced. Fewer job openings, together with restrictions imposed under the program, caused workers to stay on the job. Employment sched-

ules were met in a substantial number of major war plants. Major aircraft plants met production schedules despite a marked reduction in employment in December, and urgent production requirements were met in the shipbuilding industry, although over-all production was slightly behind schedule.

Prisoners of war.—Representatives of WMC and the War Department have reported on a survey of labor-shortage areas where prisoners of war may be used effectively in industry and farming if free labor is not available, and the two agencies have agreed on the employment conditions for the use of prisoners. Employers must pay wages prevailing in the community, but the prisoner receives a credit of only 80 cents a day; the remainder goes to the Government for camp maintenance. War prisoners are now under contract in approximately 25 States. About a third of the more than 165,000 German and Italian enlisted men in this country have been employed for varying periods in agriculture, food processing, logging, and lumbering.

Placement Activities

In February, the U. S. Employment Service made 745,000 nonfarm placements, 5 percent less than in January. Only 11 States reported increases, none of them appreciable. Placements in February have been fewer than in January in each of the past 4 years. The February 1944 figure was, however, 15 percent above that a year earlier; 33 States shared in the increase.

1943 placements.—The USES made 9.4 million nonfarm placements in 1943, half again as many as in 1942. Veterans were placed in more than 357,000 of the jobs. With the opening of Veterans Demonstration Centers in seven communities and the expansion of services to veterans throughout the country, veterans' placements will probably rise steadily.

The relative number of women placed was much higher than in previous years; in recent months, the ratio has been 30-40 percent and a few States have reported placing women in more than half the jobs. Non-white placements declined in each of the last 4 months of the year, from 155,000 in August to 120,000 in December.

About 158,000 handicapped workers were placed during the first 10 months of 1943—more than twice as many as in the same period of 1942. As would be expected, the rise was sharper in labor-shortage areas; some States were placing more than 10 times as many handicapped as in 1942.

Railroad Unemployment Insurance and Employment Service*

Railroad personnel needed at the beginning of February numbered 97,000, about 12,000 fewer than a month earlier. Labor supply conditions improved in all but the Southeastern States, with the greatest improvement on the Pacific Coast.

Employment Service

Employment service operations remained at a high level. Although the number of placements was slightly smaller than in January, the number of employer orders and openings increased substantially. Fewer short-term workers were placed in the Chicago region, but this decline was partially offset by a substantial increase in hirings of merchant seamen and other temporary workers in the New York region.

During February, the employment service joined representatives of railroad management, railroad labor, and other interested Government agencies in forming the Railroad Manpower Mobilization Committee and in planning the intensive recruitment and publicity drive to be sponsored by that Committee. In addition, consideration was given to the establishment of training schools for railroad workers in areas where needs warranted, and the registration of students for summer railroad work gathered momentum.

Approximately 18,200 Mexican nationals were in railroad service at the end of February. No additional workers were brought into the country during the month, but contracts for about 600 were renewed. In all, some 3,600 contracts have been renewed.

*Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 4.—Nonagricultural placements in the continental United States, by State, February 1944

Region ¹ and State	Placements		
	Number	Percentage change from—	
		Jan. 1944	Feb. 1943
Total.....	745,020	-5.5	+15.0
Region I:			
Connecticut.....	10,777	-10.6	+16.2
Maine.....	4,356	-19.4	+5.9
Massachusetts.....	21,952	-7.3	+8.1
New Hampshire.....	2,498	+6	+36.4
Rhode Island.....	6,867	-9.9	+25.6
Vermont.....	832	+1.3	+40.8
Region II:			
New York.....	75,898	-3.9	+10.4
Region III:			
Delaware.....	1,457	-6.8	+16.8
New Jersey.....	29,520	-1.0	+51.5
Pennsylvania.....	41,743	-3.7	+35.7
Region IV:			
District of Columbia.....	3,238	-33.1	-13.1
Maryland.....	13,123	+12.5	+14.9
North Carolina.....	17,108	-16.0	+25.2
Virginia.....	13,655	+10.8	+121.9
West Virginia.....	8,167	-2.0	+52.9
Region V:			
Kentucky.....	13,906	-1.2	+52.9
Michigan.....	27,397	+5.8	+24.4
Ohio.....	50,285	-12.2	+3.1
Region VI:			
Illinois.....	27,579	+4.1	+21.7
Indiana.....	19,269	-17.6	+4.7
Wisconsin.....	11,179	-13.3	-15.8
Region VII:			
Alabama.....	16,362	+2	+33.2
Florida.....	17,087	-14.2	+60.3
Georgia.....	16,718	-15.3	+123.8
Mississippi.....	7,696	-12.5	-6.4
South Carolina.....	4,051	-10.3	+3
Tennessee.....	20,179	-4.6	+178.3
Region VIII:			
Iowa.....	9,814	-21.3	+81.3
Minnesota.....	11,024	-11.2	+11.3
Nebraska.....	3,599	-28.9	-30.1
North Dakota.....	1,111	-22.8	-22.8
South Dakota.....	1,203	+26.6	-18.9
Region IX:			
Arkansas.....	6,014	-19.4	-33.0
Kansas.....	7,171	-2.9	-46.1
Missouri.....	18,227	-2.6	-32.3
Oklahoma.....	7,673	+4	-8
Region X:			
Louisiana.....	11,169	-3.7	+84.9
New Mexico.....	2,471	+2.1	+10.5
Texas.....	43,196	-1.1	-6
Region XI:			
Colorado.....	7,036	-8.6	+51.4
Idaho.....	2,383	-15.6	-19.2
Montana.....	1,765	-9.0	+23.8
Utah.....	7,070	+7.4	+10.4
Wyoming.....	1,457	-22.2	+5.1
Region XII:			
Arizona.....	3,581	-13.6	-5.0
California.....	73,715	-6	-8
Nevada.....	2,476	-5.7	-15.6
Oregon.....	12,052	-10.0	-28.7
Washington.....	27,914	-4	+88.7

¹ War Manpower Commission region.

Unemployment Insurance Operations

Relatively little change in the level of unemployment insurance operations occurred from January to February. Reductions in the number of claims filed and in the number and amount of benefit certifications are largely attributable to the fact that February is a shorter month. The sharp decline in January in the number of workers applying for certificates of benefit rights continued into February. These seasonal decreases were most evident in the Chicago, Minneapolis, and New York regions.

Claims for benefits were received at about the same daily rate as in January, but the total number was 5 percent less. As in the preceding month, nearly half the claims were filed by individuals in the Minneapolis and Chicago regions, which include the Great Lakes ore-shipping centers.

Approximately 2,460 claims were certified in February for payments totaling \$65,700. About 75 percent of the payments went to workers unemployed for the entire 14-day registration period, and more than half were made to train-and-engine service employees and maintenance-of-way laborers. Both the average payment

Table 6.—Railroad unemployment insurance: Number of certifications, average payment, and average number of compensable days, benefit year 1943-44, by month¹

Type of certification and period	All certifications				Percent of certifications with specified days of unemployment ²			
	Number	Average payment	Average daily benefit	Average compensable days ³	Total	14 days	8-13 days	5-7 days
Certifications for first registration period:								
July 1943.....	304	\$18.94	\$3.17	5.97	100.0	69.4	30.6	-----
August.....	551	20.35	3.44	5.92	100.0	66.1	33.9	-----
September.....	341	20.52	3.33	6.16	100.0	72.4	27.6	-----
October.....	297	19.78	3.32	5.95	100.0	65.3	34.7	-----
November.....	293	19.47	3.30	5.90	100.0	68.2	31.8	-----
December.....	444	20.94	3.39	6.18	100.0	73.6	26.4	-----
January 1944.....	904	19.21	3.27	5.87	100.0	52.7	47.3	-----
February.....	434	19.27	3.21	6.01	100.0	67.7	32.3	-----
Certifications for subsequent registration periods:								
July 1943.....	21	27.64	2.86	9.67	100.0	90.5	9.5	0.0
August.....	968	29.75	3.32	8.96	100.0	74.6	19.8	5.6
September.....	1,239	29.14	3.28	8.88	100.0	71.9	23.3	4.8
October.....	1,208	28.29	3.32	8.52	100.0	67.5	23.8	8.7
November.....	1,254	28.60	3.27	8.75	100.0	70.3	23.6	6.1
December.....	1,242	26.44	3.25	8.14	100.0	61.5	24.9	13.6
January 1944.....	2,012	28.42	3.25	8.75	100.0	71.8	21.6	6.6
February.....	2,081	28.24	3.16	8.94	100.0	75.4	18.4	6.2

¹ Data cover only certifications for unemployment in the current benefit year. Data for initial certifications in all months and subsequent certifications in July are based on a complete tabulation; data for subsequent certifications in other months, except

total number of certifications and average payment for all certifications, are based on a 50-percent sample. ² Benefits are payable for each day of unemployment in excess of 7 for first registration period and in excess of 4 for subsequent registration periods.

and the average number of compensable days for initial periods of unemployment rose slightly, while the average payment for subsequent periods of unemployment dropped 18

cents from the January figure. Some 440 new benefit accounts were established during the month and 45 were closed because of exhaustion of benefit rights.

Table 5.—Railroad unemployment insurance: Placements, applications for certificate of benefit rights received, claims received, and benefit payments certified, by specified period, 1942-44

Period	1943-44					1942-43				
	Placements	Applications ¹	Claims	Benefit payments ²		Placements	Applications ¹	Claims	Benefit payments ²	
				Number	Amount				Number	Amount
July-February.....	358,555	5,655	19,385	14,141	\$366,691	104,370	19,988	83,733	65,616	\$1,419,579
July 1943.....	29,276	1,024	2,034	1,213	29,123	15,628	6,642	11,134	7,263	148,236
August.....	36,090	697	2,006	1,565	40,342	12,922	3,213	12,407	10,268	218,762
September.....	26,688	449	2,036	1,576	41,951	11,315	1,865	11,566	9,265	203,740
October.....	29,246	470	1,963	1,452	38,020	9,404	1,293	10,913	8,642	187,418
November.....	38,322	491	2,111	1,510	39,960	8,067	1,303	8,673	6,989	153,474
December.....	77,314	1,333	2,813	1,470	37,917	15,483	3,027	9,816	7,355	151,625
January 1944.....	62,653	714	3,291	2,892	73,724	15,706	1,873	10,914	8,898	198,410
February.....	58,966	477	3,131	2,463	65,654	15,805	772	8,310	6,936	157,914

¹ Includes applications for current and preceding benefit years.

² Net figures adjusted for underpayments and recovery of overpayments.

Old-Age and Survivors Insurance

Under the Social Security Act

Monthly Benefits in Force and Payments Certified, February 1944

At the end of February, monthly benefits were in force for 920,000 beneficiaries at a monthly rate of \$16.8 million, an increase from January of 2 percent in both number and amount. The number of benefits awarded during the month increased 7 percent. Most of the increase occurred in primary benefits (12 percent), of which more were awarded in February than in any other month since September 1942.

The withdrawal of older workers from covered employment is reflected not only in the increase in the number of awards to primary beneficiaries but also in the reduction in the number of primary benefits in conditional-payment status; for the third consecutive month, the latter decreased slightly.

Monthly benefit certifications

amounted to \$14.9 million in February, 3 percent more than in January. Lump-sum payments of \$1.7 million were certified under the 1939 amendments, the largest amount certified in a single month.

Applicants for Account Numbers, 1943, and October-December 1943

By the end of 1943, nearly 76 million employee accounts had been established. An estimated 69.3 million living persons—or 66 percent of the estimated population aged 14 and over—held account numbers. The total number of applications for the year was 7.4 million, 200,000 less than in 1942. During the first 9 months of 1943, applications for account numbers were at a relatively high level. A sharp decline in the fourth quarter was caused by the rapid decline in the proportion of the labor force without account numbers, the leveling off of war production, and continued inductions into the armed forces. There was a similarly sharp decline in the fourth quarter of 1941, but in that year it

Table 2.—Percentage distribution of applicants for account numbers by sex and age group, 1938-43

Year	Total	Male		Female	
		Under age 20	20 years of age and over	Under age 20	20 years of age and over
1938.....	100.0	14.8	48.8	10.0	26.4
1939.....	100.0	19.8	39.4	14.5	26.3
1940.....	100.0	24.2	34.7	16.7	24.4
1941.....	100.0	28.2	27.2	19.3	25.3
1942.....	100.0	26.3	20.1	22.4	31.2
1943.....	100.0	24.7	14.4	24.5	36.4

was associated with plant construction and conversion for war.

Applications in the fourth quarter of 1943 were 34 percent below those for the preceding quarter and 36 percent less than for the fourth quarter of 1942 and constituted the smallest fourth-quarter total since the initial registration. States varied considerably; 37 States, including all in Regions I, II, III, IX, and XI, reported decreases, while 14 States had increases.

The number of applicants aged 60 and over was 17 percent larger in 1943 than in 1942, mainly because of increased numbers of women applicants. While the number of older

Table 1.—Monthly benefits in force¹ in each payment status,² actions effected during the month, and payments certified, by type of benefit, February 1944

(Current month's data corrected to Mar. 11, 1944)

Status of benefit and action	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force as of Jan. 31, 1944.....	900,954	\$16,442,845	384,154	\$8,960,843	110,833	\$1,375,649	255,963	\$3,140,997	48,727	\$983,331	97,225	\$1,910,880	4,052	\$53,145
Current-payment status.....	764,661	13,831,770	312,588	7,330,578	94,066	1,176,269	234,362	2,890,258	47,947	966,872	71,681	1,415,481	3,967	52,312
Deferred-payment status.....	3,347	63,448	2,036	44,018	396	4,827	467	5,665	149	3,026	293	5,207	6	75
Conditional-payment status.....	132,946	2,547,627	69,530	1,586,247	16,371	194,553	21,104	254,044	631	12,833	25,251	499,192	59	738
Suspended.....	112,232	2,111,320	60,775	1,346,155	13,714	158,304	17,774	212,070	425	8,506	19,489	385,591	55	694
Frozen.....	20,714	436,307	8,755	240,092	2,657	36,249	3,330	41,974	206	4,327	5,762	113,601	4	64
Actions during February 1944:														
Benefits awarded.....	25,432	468,366	8,768	216,034	3,205	41,092	7,897	99,876	2,125	42,998	3,343	67,136	94	1,230
Entitlements terminated ³	6,275	112,327	2,304	54,567	1,152	14,029	1,633	20,582	172	3,448	978	19,178	36	523
Net adjustments ⁴	119	3,436	12	592	7	113	78	1,828	3	87	20	853	-1	-37
In force as of Feb. 29, 1944.....	920,230	\$16,802,320	390,630	\$9,122,902	112,893	\$1,402,825	262,305	\$3,231,119	50,683	\$1,022,968	99,610	\$1,968,691	4,109	\$53,815
Current-payment status.....	783,149	14,171,591	318,940	7,487,256	96,083	1,202,608	240,746	2,971,490	49,870	1,005,858	73,467	1,451,398	4,043	52,971
Deferred-payment status.....	3,644	69,381	2,227	48,718	439	5,412	531	6,344	145	3,557	298	5,298	4	52
Conditional-payment status.....	133,437	2,561,348	69,463	1,586,918	16,371	194,805	21,028	253,285	668	13,553	25,845	511,995	62	792
Suspended.....	112,396	2,119,400	60,800	1,348,977	13,737	158,795	17,532	209,015	439	8,748	19,830	393,136	58	729
Frozen.....	21,041	441,948	8,663	237,941	2,634	36,010	3,496	44,270	229	4,805	6,015	118,859	4	63
Payments certified in February ⁵		\$16,625,644		7,785,859		1,256,036		3,166,038		1,039,320		1,597,236		56,441

¹ Represents total benefits awarded after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

² Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit. Benefit in deferred-payment status is one withheld entirely for a known period. Benefit in conditional-payment status is one withheld entirely for an indefinite period; if previously in current or deferred-payment status, it is a suspended benefit; otherwise it is a frozen benefit.

³ Benefits are terminated when a beneficiary dies or loses entitlement to bene-

fits for the reasons specified in 1939 amendments, sec. 202.

⁴ Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

⁵ Distribution by type of benefit estimated; includes retroactive payments. Includes \$1,723,196 paid as lump-sum benefits under 1939 amendments (payable with respect to workers who died after December 1939, if no survivor could be entitled to monthly benefits for month in which worker died) and \$1,518 paid as lump-sum benefits under 1935 act (payable with respect to workers who died prior to January 1940).

Table 3.—Number of applicants for account numbers, by year, 1940-43, and estimated number of account-number holders at end of each year¹

Year	Applicants for account numbers		Estimated number of account-number holders 14 years and over as of end of year ²			
	Total during year	Cumulative total as of end of year	Number	Percent of estimated population 14 years and over ³		
				Total	Male	Female
1940.....	5,226,688	54,225,407	49,900,000	48.7	66.6	30.9
1941.....	6,677,584	60,902,991	56,000,000	54.0	72.0	36.0
1942.....	7,637,416	68,540,407	63,000,000	60.2	77.4	43.2
1943.....	7,415,294	75,955,701	69,300,000	65.5	80.9	50.3

¹ These figures differ slightly from those presented prior to the October 1943 issue because of revisions made on the basis of data on multiple accounts obtained from a sample study of accounts established through the end of 1940.

² Estimated by adjusting the cumulative total of

accounts established for duplications as well as for deaths; includes Alaska and Hawaii.

³ Population 14 years of age and over estimated by U. S. Bureau of the Census; includes Alaska and Hawaii.

men decreased slightly, the number of women increased 78 percent. There were 26 percent fewer older applicants in the fourth quarter of 1943 than in the comparable quarter of 1942.

Despite the marked seasonal decline in the volume of applications from Negroes, the 186,000 accounts established for this group in October-December brought the total number of Negro applicants in 1943 to 1.1 million, 14 percent of all applicants in that year and the largest proportion in any year. The increase over 1942 in the number of Negro applicants (17 percent) reflected the increased opportunity for employment in covered industry of Negro women formerly in noncovered domestic service. The

only States in which applications from Negro women were fewer than in 1942 were Vermont, Minnesota, Nevada, Alaska, and Hawaii—States with relatively small Negro populations. Significant increases occurred in New York, New Jersey, Pennsylvania, North Carolina, Virginia, Louisiana, Texas, Michigan, Ohio, Illinois, California, and all the States in Region VII.

The decline in the number of male applicants which began in 1942 continued in 1943 with a further drop of 18 percent. The District of Columbia was the only State reporting an increase in the number of male applicants, due to the issuance of social security account numbers to civilian employees in the War Department. In the country as a whole, less than 3

million accounts were established for men, the fewest for any year.

The greatest relative decreases occurred in the draft-age groups, and the only groups with increases were the 418,000 applicants under 15 years of age and 138,000 persons aged 65 and over. While the number of male applicants 20 years of age and over has declined steadily since 1938, the number under age 20 decreased for the first time in 1943. This decline is a direct result of inductions into the armed forces and the fact that boys who would normally have entered the labor market in 1943 had already gone to work in 1941 and 1942.

Women applicants outnumbered men in 1943 in every State except Alaska; they comprised 61 percent of all applicants in the year and 65 percent of fourth-quarter applicants—the highest proportion on record. The total number of accounts established for women in 1943, 4.5 million, was higher than in any other year since 1937 and 10 percent above the 1942 figure. Negro women, with a 57-percent increase over 1942, accounted for three-fifths of the increase in the total group of women applicants, although they numbered only 703,000 in 1943.

The group of women applicants aged 20 and over had a relatively greater increase than did the younger group—13 percent as compared with 6 percent.

Table 4.—Distribution of applicants for account numbers by sex, race, and age group, 1943¹

Age group	Total			Male			Female		
	Total	White ²	Negro	Total	White ²	Negro	Total	White ²	Negro
Total.....	7,415,294	6,357,116	1,058,178	2,901,273	2,545,932	355,341	4,514,021	3,811,184	702,837
Under 15.....	582,042	517,098	64,944	418,155	365,365	52,790	163,887	151,733	12,154
15-19.....	3,067,130	2,710,339	356,791	1,417,784	1,251,867	165,917	1,649,346	1,458,472	190,874
20-24.....	588,924	420,981	167,943	110,121	84,087	26,034	478,803	336,894	141,909
25-29.....	435,216	317,223	117,993	72,344	56,349	15,995	362,872	260,874	101,998
30-34.....	403,327	366,704	96,623	89,858	75,702	14,156	373,469	291,002	82,467
35-39.....	492,445	410,581	81,864	111,058	96,581	14,477	381,387	314,000	67,387
40-44.....	452,324	390,841	61,483	118,233	103,849	14,384	334,091	286,992	47,099
45-49.....	410,747	368,609	42,138	121,018	107,430	13,588	289,729	261,179	28,550
50-54.....	325,471	298,895	26,576	112,243	101,087	11,156	213,228	197,808	15,420
55-59.....	248,534	230,575	17,959	103,732	94,210	9,522	144,802	136,365	8,437
60-64.....	166,195	155,523	10,672	88,004	81,539	6,465	78,191	74,184	4,007
65-69.....	104,173	96,474	7,699	71,998	66,020	5,978	32,175	30,454	1,721
70 and over.....	77,555	72,824	4,731	65,971	61,769	4,202	11,584	11,055	529
Unknown.....	1,211	449	762	754	277	477	457	172	285

¹ Excludes 10,376 applicants whose sex and/or race is unknown. Includes applications received from War Department civilian employees. The difference between the annual total, which includes these employees, and the sum of the 4 quarterly totals, which excludes them, does not represent the number of applications received from this specific group, since the figures for War Department

employees released in earlier issues of the *Bulletin* included delayed applications received from persons who were not employed by the War Department. War Department applications are estimated at 114,000 and delayed applications at 4,500 for 1943.

² Represents all races other than Negro.

Table 5.—Distribution of applicants¹ for account numbers by sex and race, by State, 1943²

Social Security Board region and State	Total			Male			Female		
	Total	White ³	Negro	Total	White ³	Negro	Total	White ³	Negro
Total.....	7,415,294	6,357,116	1,058,178	2,901,273	2,545,932	355,341	4,514,021	3,811,184	702,837
Region I:									
Connecticut.....	82,603	77,905	4,698	30,073	29,124	949	52,530	48,781	3,749
Maine.....	43,420	43,247	173	19,128	19,053	75	24,292	24,194	98
Massachusetts.....	222,896	217,744	5,152	87,966	86,600	1,366	134,930	131,144	3,786
New Hampshire.....	21,784	21,661	123	9,855	9,816	39	11,929	11,845	84
Rhode Island.....	32,575	31,760	815	14,175	13,947	228	18,400	17,813	587
Vermont.....	14,555	14,494	61	6,310	6,265	45	8,245	8,229	16
Region II:									
New York.....	760,802	684,102	76,700	296,955	278,422	18,533	463,847	405,680	58,167
Region III:									
Delaware.....	14,578	11,328	3,250	5,401	4,260	1,141	9,177	7,066	2,111
New Jersey.....	216,687	189,592	27,095	84,407	77,341	7,066	132,280	112,251	20,029
Pennsylvania.....	513,223	450,270	62,953	195,335	181,574	13,761	317,888	277,696	40,192
Region IV:									
District of Columbia.....	61,258	38,264	22,994	19,854	13,676	6,178	41,404	24,588	16,816
Maryland.....	96,392	68,659	27,733	36,518	27,528	8,990	59,874	41,131	18,743
North Carolina.....	179,104	126,934	52,170	70,946	50,164	20,782	108,158	76,770	31,388
Virginia.....	134,548	92,297	42,251	54,009	37,700	16,309	80,539	54,597	25,942
West Virginia.....	88,507	82,960	5,547	35,686	33,459	2,227	52,821	49,501	3,320
Region V:									
Kentucky.....	131,266	117,154	14,112	55,401	50,331	5,070	75,865	66,823	9,042
Michigan.....	345,433	310,966	34,467	123,249	115,881	7,368	222,184	195,085	27,099
Ohio.....	413,721	375,375	38,346	151,877	141,765	10,112	261,844	233,610	28,234
Region VI:									
Illinois.....	438,360	383,873	54,487	166,669	152,211	14,458	271,691	231,662	40,029
Indiana.....	211,070	195,497	15,573	81,345	76,378	4,967	130,325	119,119	11,206
Wisconsin.....	155,172	153,443	1,729	65,725	63,329	2,396	89,447	88,114	1,333
Region VII:									
Alabama.....	165,835	105,591	60,244	65,863	40,626	25,237	99,972	64,965	35,007
Florida.....	130,421	83,870	46,551	48,675	34,286	14,389	81,746	49,584	32,162
Georgia.....	105,162	122,831	72,331	77,373	48,289	29,084	117,789	74,542	43,247
Mississippi.....	101,434	53,604	47,830	48,405	24,224	24,181	53,029	29,380	23,649
South Carolina.....	92,030	57,163	34,867	37,935	21,457	16,478	54,095	35,706	18,389
Tennessee.....	185,446	138,233	47,213	73,194	55,752	17,442	112,252	82,481	29,771
Region VIII:									
Iowa.....	106,494	105,033	1,461	42,754	42,283	471	63,740	62,750	990
Minnesota.....	131,942	131,091	851	54,878	54,566	312	77,064	76,525	539
Nebraska.....	57,296	55,911	1,385	23,329	22,906	423	33,967	33,005	962
North Dakota.....	21,382	21,346	36	9,210	9,198	12	12,172	12,148	24
South Dakota.....	25,303	25,347	46	11,327	11,322	5	14,066	14,025	41
Region IX:									
Arkansas.....	101,595	71,288	30,307	47,430	34,505	12,925	54,165	36,763	17,402
Kansas.....	86,250	79,673	6,576	33,235	31,229	2,006	53,014	48,444	4,580
Missouri.....	207,457	180,264	27,193	75,650	67,294	8,356	131,807	112,970	18,837
Oklahoma.....	139,960	125,613	14,347	56,050	51,171	4,879	83,900	74,442	9,458
Region X:									
Louisiana.....	141,122	79,349	61,773	35,586	35,586	22,812	62,724	43,763	18,961
New Mexico.....	26,277	25,703	574	12,567	12,465	102	13,710	13,238	472
Texas.....	411,073	322,255	88,818	161,817	133,456	28,361	249,256	188,799	60,457
Region XI:									
Colorado.....	54,861	53,504	1,357	21,897	21,543	354	32,964	31,961	1,003
Idaho.....	23,082	22,996	86	9,309	9,284	25	13,773	13,712	61
Montana.....	19,963	19,875	88	8,264	8,229	35	11,699	11,646	53
Utah.....	36,380	35,910	470	15,592	15,493	99	20,788	20,417	371
Wyoming.....	11,126	10,925	201	4,278	4,242	36	6,848	6,683	165
Region XII:									
Arizona.....	36,342	34,401	1,941	16,185	15,579	606	20,157	18,822	1,335
California.....	514,134	486,978	27,156	196,279	180,219	16,060	317,855	296,759	21,096
Nevada.....	7,390	7,249	141	3,144	3,083	61	4,246	4,156	90
Oregon.....	72,500	71,879	621	26,370	26,260	110	46,130	45,619	511
Washington.....	117,714	116,070	1,644	43,480	43,064	416	74,234	73,006	1,228
Territories:									
Alaska.....	3,125	3,125	0	1,693	1,693	0	1,432	1,432	0
Hawaii.....	13,555	13,536	19	5,808	5,794	14	7,747	7,742	5

¹ Distribution by sex and race within State based on a 20-percent sample of all accounts established in 1943. State totals represent actual number established.

² Excludes 10,376 applicants whose sex and/or race is unknown. Includes applications received from War Department civilian employees. The difference between the annual total, which includes these employees, and the sum of the 4 quarterly totals, which excludes them, does not represent the number of applica-

tions received from this specific group, since the figures for War Department employees released in earlier issues of the *Bulletin* included delayed applications received from persons who were not employed by the War Department. War Department applications are estimated at 114,000 and delayed applications at 4,500 for 1943.

³ Represents all races other than Negro.

Table 6.—Distribution of account-number applicants under 20 years of age, by sex and age, 1943 and 1942, and October–December 1943 and 1942

Age	Annual total			Male			Female			Fourth-quarter total			Male			Female		
	1943	1942	Percent- age change	1943	1942	Percent- age change	1943	1942	Percent- age change	October- December		Percent- age change	October- December		Percent- age change	October- December		Percent- age change
										1943	1942		1943	1942		1943	1942	
Under 20, total.....	3,649,172	3,720,663	-1.9	1,835,939	2,013,325	-8.8	1,813,233	1,707,338	+6.2	620,221	933,629	-33.6	272,453	409,789	-33.5	347,768	523,840	-33.6
Under 18, total.....	2,899,215	2,547,053	+13.8	1,612,616	1,492,109	+8.1	1,286,599	1,054,944	+22.0	519,069	735,744	-29.4	243,186	346,405	-29.8	275,883	389,339	-29.1
Under 14.....	211,592	95,357	+121.9	172,738	82,982	+108.2	38,854	12,375	+214.0	54,703	38,160	+43.4	40,981	31,001	+32.2	13,722	7,159	+91.7
14.....	370,450	204,952	+80.7	245,417	151,699	+61.8	125,033	53,253	+134.8	92,977	83,480	+11.4	49,463	51,391	-3.8	43,514	32,089	+35.6
15.....	639,991	447,505	+41.7	372,617	292,986	+27.2	281,374	154,519	+89.2	124,576	157,375	-20.8	54,474	78,948	-31.0	70,102	78,427	-10.6
16.....	957,732	920,335	+4.1	484,721	509,130	-4.8	473,011	411,205	+15.0	162,116	278,457	-41.8	64,293	115,569	-44.4	97,823	162,918	-40.0
17.....	725,450	878,904	-17.5	337,123	455,312	-26.0	388,327	423,592	-8.3	84,697	178,242	-52.5	33,975	69,496	-51.1	50,722	108,746	-53.4
18.....	482,751	755,388	-36.1	160,903	342,741	-53.1	321,848	412,647	-22.0	63,545	132,552	-52.1	18,796	44,325	-57.6	44,749	88,227	-49.3
19.....	267,206	418,222	-36.1	62,420	178,475	-65.0	204,786	239,747	-14.6	37,607	65,333	-42.4	10,471	19,059	-45.1	27,136	46,274	-41.4

Table 7.—Distribution of applicants for account numbers by sex, race, and age group, October–December 1943¹

Age group	Total			Male			Female		
	Total	White ²	Negro	Total	White ²	Negro	Total	White ²	Negro
Total.....	1,382,037	1,195,564	186,473	483,674	419,003	64,671	898,363	776,561	121,802
Under 15.....	147,680	137,175	10,505	90,444	81,916	8,528	57,236	55,259	1,977
15-19.....	472,541	417,192	55,349	182,009	156,560	25,449	290,532	260,632	29,900
20-24.....	113,588	81,443	32,145	27,702	21,390	6,312	85,886	60,053	25,833
25-29.....	86,877	64,812	22,065	17,309	13,235	4,074	69,568	51,577	17,991
30-34.....	91,373	73,586	17,787	18,072	14,753	3,319	73,301	58,833	14,468
35-39.....	96,043	81,010	15,033	20,477	17,239	3,238	75,566	63,771	11,795
40-44.....	88,767	77,513	11,254	20,920	17,916	3,004	67,847	59,597	8,250
45-49.....	84,166	76,047	8,119	21,845	19,031	2,814	62,321	57,016	5,305
50-54.....	70,004	64,637	5,367	20,400	18,083	2,317	49,604	46,554	3,050
55-59.....	54,225	50,484	3,741	19,362	17,383	1,979	34,863	33,101	1,762
60-64.....	36,603	34,328	2,275	16,804	15,503	1,301	19,799	18,825	884
65-69.....	22,580	21,003	1,577	14,031	12,830	1,201	8,549	8,173	376
70 and over.....	17,203	16,186	1,017	13,965	13,072	893	3,238	3,114	124
Unknown.....	387	148	239	244	92	152	143	56	87

¹ Excludes 2,782 applicants whose sex and/or race is unknown. Also excluded from the data are applica-

tions received from War Department civilian employees.
² Represents all races other than Negro.

Under the Railroad Retirement Act*

During February, the certification of 1,861 new monthly benefits of all types raised the cumulative total certified to more than a quarter of a million. Cumulative benefit payments, including lump-sum death benefits paid to survivors of 80,000 covered workers, rose to \$777 million, of which \$11.3 million, a new monthly high, was disbursed in February.

Employee annuities.—New applications—1,513—were at the lowest

monthly number during the current fiscal year, though new certifications outnumbered those in January. For the second month, more than 1,000 employee annuities were terminated by death. The average monthly number of deaths reported during the 8 months of the current fiscal year has been almost 15 percent above the corresponding figure a year ago. By the end of February, 51,300 annuities, 27 percent of the total number certified, had been terminated by death. Terminations for other reasons have totaled 1,266, leaving 137,000 annuities at an average monthly amount of \$66.45 in force at the end of the month.

Pensions.—Almost as many deaths of pensioners were reported during

February as in January, which recorded the highest number in nearly 3 years. These increases were not anticipated, since the number of deaths was expected to decline with the gradual decrease in the number in force. The 22,000 pensioners still on the rolls at the end of the month represented 45 percent of the original group taken over by the Board.

Survivor payments.—New certifications of monthly benefits to survivors totaled 112. The 3,590 survivor and 584 death-benefit annuities in force on February 29 averaged \$31.90 and \$35.40 a month, respectively.

The number of lump-sum death benefits certified, 1,326, was the largest in any month since July 1943, and the average benefit certified, \$393.46, was the largest on record. Of the 80,000 benefits of this type certified through February, 73,800 were paid to survivors of employees, 4,800 to survivors of applicants, and 1,500 to survivors of employee annuitants. Despite the deduction of monthly payments made during the lifetime of the annuitants, the average payment to their survivors, \$236.98, was slightly higher than the average of \$231.87 paid at the death of employees. The relatively few annuitants who die shortly after retirement, before exhausting lump-sum benefit rights, generally include a large proportion who had had almost continuous service since 1936, and had reached their peak earning power shortly before retirement. In the great majority of annuitant-death cases, however, no survivor benefit rights exist.

* Prepared by the Office of Director of Research, Railroad Retirement Board, in collaboration with the Bureau of Research and Statistics, Social Security Board.

Table 8.—Railroad retirement: Annuities and pensions in force and net benefit payments certified to the Secretary of the Treasury, by class of benefit, February 1944 ¹

Period and action	Total		Employee annuities		Pensions to former carrier pensioners		Survivor annuities		Death-benefit annuities ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
In force Jan. 31, 1944.....	163,039	\$10,518,551	136,533	\$9,063,011	22,374	\$1,321,839	3,559	\$113,546	573	\$20,153
During February 1944:										
Initial certifications.....	1,861	127,710	1,749	123,750	0	0	43	1,371	69	2,588
Terminations by death (deduct).....	1,495	93,333	1,028	67,649	397	23,208	12	409	58	2,065
In force as of Feb. 29, 1944.....	163,421	10,555,490	137,268	9,121,543	21,979	1,298,754	3,590	114,515	584	20,676
Total payments (net).....		\$11,343,040		9,390,756		1,274,714		118,635		28,306

¹ For definitions of classes of benefit, see the *Bulletin*, October 1942, p. 25. Data for initial certifications are for period in which payment was certified, not for period in which it began to accrue. Data for terminations by death are for period in which notice of death was received, not for period in which beneficiary died. In-force data represent certifications less terminations by death; they are adjusted for recertifications, reinstatements, and terminations for reasons other than death (suspension, return to service, recovery from disability, commutation to lump-sum payment). Certifications are reported on an accounting-month

basis ended on approximately the 20th, terminations are reported through the 10th, and total payments are on calendar-month basis. Cents omitted.

² In a few cases, payments are made to more than 1 survivor on account of death of 1 individual; such payments are counted as single items. Terminations include those by death and by expiration of 12-month period for which death-benefit annuities are payable; nearly all terminations are of latter type.

³ Includes \$530,627 for lump-sum death benefits.

Amount of Monthly Benefits in Force, June 30, 1943

At the end of 1942-43, 160,000 monthly annuities and pensions of all types were in force. Employee annuities made up 82.3 percent of the total, pensions to former carrier pensioners, 15.2 percent, survivor annuities, 2.1 percent, and death-benefit annuities under the 1935 act, 0.4 percent. If allowance is made for the few cases in which the same individual was receiving both a survivor and death-benefit annuity, and those

in which the death-benefit annuity was divided among two or more beneficiaries, individuals on the rolls were receiving, on the average, \$64.23 a month.

Employee annuities.—The average monthly amount received by the 132,000 employee annuitants on the rolls on June 30, 1943, was \$66.10 (table 9). The average monthly amount in force has been increasing for the past 5 years by an average of \$0.18 each year. This small but regular increase is a reflection of the steady rise in the average amount of new annuities cer-

tified. Even though the average amount of annuities terminated by death has also been increasing, the number of such cases is still considerably less than the number added. Three-fifths of the annuitants were receiving monthly payments of at least \$60; one-fifth were receiving \$90 or more. The maximum annuity of \$120 was payable in about 1 percent of the cases.

Age annuities beginning at age 65 or over constituted 75 percent of all annuities in force. The largest concentration of age annuities was in the

Table 9.—Railroad retirement: Distribution of annuities and pensions in force on June 30, 1943, by monthly amount and type of benefit

Monthly amount	Employee annuities ¹								Pensions		Survivor annuities		Death-benefit annuities			
	Total		Age annuities beginning—				Disability annuities based on—				Number	Per-cent-age distri-bution	Number	Per-cent-age distri-bution	Number	Per-cent-age distri-bution
			At age 65 or over		Before age 65		30 years of service		Less than 30 years of service							
			Number	Per-cent-age distri-bution	Number	Per-cent-age distri-bution	Number	Per-cent-age distri-bution	Number	Per-cent-age distri-bution						
Total.....	131,772	100.0	98,663	100.0	7,898	100.0	18,252	100.0	6,959	100.0	24,270	100.0	3,409	100.0	594	100.0
Under \$10.00.....	1,019	.8	821	.8	17	.2	1	(²)	180	2.6	28	.1	160	4.7	11	1.9
\$10.00-19.99.....	5,031	3.8	3,840	3.9	63	.8	6	(²)	1,122	16.1	818	3.4	686	20.1	78	13.1
\$20.00-29.99.....	8,198	6.2	6,172	6.3	218	2.8	109	.6	1,699	24.5	3,667	15.1	871	25.5	97	16.3
\$30.00-39.99.....	7,890	6.0	5,522	5.6	393	5.0	379	2.1	1,596	23.0	3,324	13.7	763	22.4	178	30.0
\$40.00-49.99.....	18,431	14.0	15,449	15.7	970	12.3	786	4.3	1,226	17.6	3,109	12.8	480	14.1	138	23.2
\$50.00-59.99.....	12,327	9.4	8,973	9.1	1,544	19.6	1,097	6.0	713	10.2	2,967	12.2	260	7.6	79	13.3
\$60.00-69.99.....	16,719	12.7	12,351	12.5	1,598	20.2	2,490	13.6	280	4.0	2,470	10.2	104	3.1	13	2.2
\$70.00-79.99.....	19,155	14.5	13,631	13.8	1,385	17.5	4,026	22.1	113	1.6	2,000	8.2	58	1.7	-----	-----
\$80.00-89.99.....	16,416	12.5	11,512	11.7	833	10.5	4,048	22.2	23	.3	1,451	6.0	24	.7	-----	-----
\$90.00-99.99.....	11,238	8.5	8,130	8.2	491	6.2	2,611	14.3	6	.1	1,232	5.1	3	.1	-----	-----
\$100.00-109.99.....	8,829	6.7	6,826	6.9	293	3.7	1,709	9.4	1	(²)	1,024	4.2	-----	-----	-----	-----
\$110.00-119.99.....	5,062	3.8	4,109	4.2	93	1.2	860	4.7	-----	-----	709	2.9	-----	-----	-----	-----
\$120.00.....	1,457	1.1	1,327	1.3	-----	-----	130	.7	-----	-----	1,471	6.1	-----	-----	-----	-----
Average monthly amount.....	\$66.10	-----	\$65.81	-----	\$65.17	-----	\$80.16	-----	\$34.47	-----	\$59.11	-----	\$31.94	-----	\$35.67	-----
Average monthly amount on single-life basis.....	66.77	-----	66.61	-----	65.63	-----	80.34	-----	34.80	-----	-----	-----	-----	-----	-----	-----

¹ For employee annuities, the monthly amount represents the amount payable to annuitants after deductions, if any, for retirement before age 65 and for the

election of joint and survivor options.

² Less than 0.05 percent.

\$40-49.99 group, because of the operation of the minimum-annuity provision, which guarantees payment of \$40 to most of the employees who retire after age 65. The average annuity in force on June 30 was \$65.81.

The distributions of each of the other three types of annuitants were considerably different from the 65-and-over group. Disability annuitants with 30 years of service generally received the highest amounts; they averaged \$80.16, and 87 percent received \$60 or more a month.

Annuitants who qualify for age annuities beginning before age 65 usually resemble those who qualify for disability annuities based on 30 years of service in that both have the maximum service creditable and are to be found principally in occupations with relatively high monthly compensation. Age annuities, however, are reduced in amount for retirement before age 65—by as much as one-third when they become payable at age 60; consequently, they are lower than either disability annuities or age annuities beginning at age 65 or later. The average annuity in force for the group under age 65—\$65.17—reflected an average reduction of about \$14 for earlier retirement.

Disability annuities based on less than 30 years of service are also subject to reduction since, by definition, these benefits begin before the employee attains age 65. In addition, the service and, in general, the compensation for annuitants in this group are relatively low. As a result, these annuities had the lowest average—\$34.47—of the four types.

Less than 4 percent of the annuities in force had been reduced by the employee's election of a joint and survivor option to provide a monthly income for his wife after his death. Because of the reduction, the average annuity in force on June 30 was \$66.10 instead of the \$66.77 that would have been payable on a single-life basis. For joint and survivor annuities alone the difference between these two averages was about \$19.

Pensions.—Pensions equal the amounts previously awarded under private pension plans by the carriers, up to a maximum of \$120; they are generally based on less liberal benefit formulas than that provided by

the retirement act. More than 15 percent of all pensions at the end of June 1943 fell in the \$20-29.99 group, but 55 percent were for \$50 or more; 6 percent were paid at the maximum rate of \$120 a month. The average pension payment has been increasing from year to year, since many of the older individuals who retired in earlier years and received relatively small pensions have died; the average payment in force at the end of June was \$59.11.

Monthly survivor benefits.—Survivor annuities in force averaged \$31.94. More than a fourth of the annuities were for \$20-29.99 a month, and 82 percent fell between \$10 and \$49.99. In only 3 cases did the benefit exceed \$90. Although the maximum death-benefit annuity payable under the 1935 act is \$60, the average annuity in force, \$35.67, was higher than the average survivor annuity; almost 70 percent of the death benefits were \$20-\$49.99.

Social and Economic Data

Income Payments to Individuals

Income payments to individuals in February amounted to \$12.9 billion, 2 percent more than in January and 14 percent above the level a year earlier. Compensation of employees had increased 15 percent in the 12 months to \$9.2 billion, nearly three-fourths of all income payments.

Entrepreneurial income, which totaled \$2.4 billion, or about a fifth of income payments, was 2 percent more than in January but only 8 percent above the amount in February 1943. Dividends and interest payments of \$891 million were 10 percent above such payments a year earlier.

Government allowances to dependents of members of the armed forces continued to rise more rapidly than the other segments of income payments, but they are still a relatively small part of total income payments. The \$165 million paid in military allowances was 8 percent more than in January and nearly three times the amount paid out in February last year.

Direct relief payments in February remained unchanged at \$79 million. The total expenditure for public aid has varied only slightly in the past 12 months.

Social insurance and related payments totaled \$154 million, an increase of 3 percent from the January figure and of 8 percent from that in February 1943.

Social Insurance and Related Payments

Payments in February under the selected social insurance programs shown in table 2 rose 3 percent over January payments to \$84 million.

Unemployment benefits under the State programs continued the upswing started in December; payments of approximately \$6.2 million were 17 percent higher than last month. Railroad unemployment benefits (\$67,000 in February) declined 10 percent from the level in January, when railroad unemployment reached its seasonal peak. Although compensation for unemployment under the State and railroad programs was, respectively, 43 percent and 58 percent less than in February 1943, the growth in payments under the other programs shown in the table was sufficient to bring the February total to 6.5 percent above that a year ago.

Retirement, disability, and survivor payments increased slightly in February; moreover, the total of \$76 million was 13 percent above the February 1943 figure. Monthly retirement payments under the Social Security Act (\$9.1 million) were 20 percent above such payments a year ago while monthly survivor payments rose 34 percent to \$5.8 million. Under the veterans' program, monthly retirement and disability payments and monthly survivor payments both increased about 12 percent, the former to \$30.6 million and the latter to \$10.6 million.

Lump-sum payments under each of the four programs were higher than a

year ago. Such payments totaled \$3.2 million, of which slightly more than half was paid under the Social Security Act.

Refunds of contributions to employees who had left the Federal civil service maintained the high level of the last few months and were four times those in February 1943. These refunds of \$1.7 million accounted for 2 percent of all payments under the selected social insurance programs as compared with 0.5 percent in February last year.

Approximately 1.4 million individuals received monthly retirement or disability payments under the four programs; 692,000 survivors received monthly benefits and 18,000 lump-sum payments. Unemployment compensation was paid to 105,000 persons. The 791,000 monthly beneficiaries of the social security program represent 494,000 families. The 241,000 beneficiaries receiving monthly retirement or survivor payments under the railroad and civil-service retirement programs equal approximately the number of families receiving benefits, since these programs do not provide supplementary payments for wives and children of retired or disabled workers. The 1 million monthly beneficiaries under the veterans' program represent at least 934,000 families.

Civil Service Commission

Retirement Systems, 1942-43

At the end of June 1943 nearly 75,000 beneficiaries were on the rolls of the retirement systems administered by the Civil Service Commission. About 99 percent of the annuitants were receiving benefits under the Civil Service Retirement Act; of the remainder, 735 had qualified under the Canal Zone Retirement Act, and only 105 under the Alaska Railroad Retirement Act.

Benefits based on age or service accounted for nearly three-fourths of the total, and those based on disability, for nearly all the rest; only 0.1 percent were survivor benefits payable under joint and survivor elections. This distribution differs slightly from that for the annuitants added to the rolls during the fiscal year 1942-43; of the latter, 69.0 percent had been retired for age or service, 30.6 percent were disabled, and 0.4 percent were survivors.

Summary data on these three retirement systems are carried regularly in the BULLETIN; the present discussion, based on the "Retirement Report, Fiscal Year Ended June 30, 1943" of the Civil Service Commission, provides greater detail than is available monthly. Most of the report relates to operations under the Civil Service Retirement Act; and the remainder of this discussion is confined to those operations.

War conditions, the rise in the age at which retirement is mandatory, and the reemployment of many persons who had passed the mandatory age kept in jobs many Government employees who had met the age and service requirements for an annuity. The war was also responsible for the unprecedentedly large number—111,000—of employees who received refunds of contributions upon their separation from the Federal service. These refunds averaged only \$64 in

1942-43, about half the average a year earlier, when only two-fifths as many persons received them.

At the end of 1942-43, about 2.8 million civilian employees of the executive branch of the Federal Government were covered by the retirement system. A year earlier the number was 2.0 million. The proportion covered dropped, however, from 91 percent of all employees in the executive branch in 1941-42 to 85 percent in 1942-43.

The increase in the number of persons covered and the increase in the salary deduction rate from 3.5 to 5.0 percent caused employee contributions in 1942-43 to mount to \$226 million, more than two and a half times the previous year's total.

The annuitants under the Civil Service Retirement Act are classified as follows: retired on account of age (43.1 percent); retired for disability (26.5 percent); either voluntarily or

Table 1.—Income payments to individuals, by specified period, 1936-44¹

[In millions; data corrected to Apr. 7, 1944]

Calendar year and month	Total ²	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments ⁴	Military allowances ⁵
					Work relief ⁶	Direct relief ⁷		
1936.....	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	-----
1937.....	72,135	44,089	14,162	9,891	1,659	836	1,020	-----
1938.....	66,135	40,845	12,369	8,233	2,094	1,008	1,329	-----
1939.....	70,793	43,870	13,441	8,891	1,870	1,071	1,616	-----
1940.....	76,210	48,218	14,313	9,175	1,577	1,098	1,801	-----
1941.....	92,710	60,262	18,599	9,761	1,213	1,112	1,744	-----
1942.....	116,653	79,642	23,933	9,441	586	1,061	1,844	\$136
1943.....	142,227	100,730	27,699	10,070	58	939	1,705	1,020
1943								
February.....	11,328	7,968	2,257	807	15	81	142	58
March.....	11,533	8,074	2,348	814	11	78	143	64
April.....	11,659	8,188	2,351	821	7	77	140	75
May.....	11,718	8,267	2,329	827	4	76	141	74
June.....	11,871	8,409	2,326	836	2	77	140	80
July.....	11,948	8,485	2,318	843	0	77	141	83
August.....	12,045	8,539	2,348	851	0	77	140	89
September.....	12,044	8,598	2,274	857	0	78	141	95
October.....	12,177	8,691	2,301	864	0	78	143	100
November.....	12,359	8,809	2,346	870	0	78	144	112
December.....	12,476	8,900	2,337	878	0	79	148	134
1944								
January.....	12,656	9,002	2,386	885	0	79	150	133
February.....	12,899	9,170	2,440	891	0	79	154	165

¹ Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

² Includes veterans' bonus; for totals for years 1936-42 see October 1943 *Bulletin*; February payments were less than \$500,000.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions and payments to the armed forces.

⁴ Earnings of persons employed by NYA, WPA, and CCC. Excludes earnings of persons employed on other Federal agency projects financed from emergency funds; such earnings are included in compensation of employees.

⁵ Payments to recipients under 3 special public

assistance programs and general assistance, value of food stamps issued by Food Distribution Administration under food stamp plan, and subsistence payments certified by Farm Security Administration.

⁶ Payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions, workmen's compensation, State unemployment compensation, and railroad unemployment insurance.

⁷ Government portion of payments to dependents of members of the armed forces; portion deducted from military pay included under compensation of employees as part of military pay rolls.

Source: U. S. Department of Commerce, Bureau of Foreign and Domestic Commerce.

involuntarily separated after 30, 15, or 5 years' service (30.3 percent); and the survivors of deceased annuitants who had made a joint and survivor election (0.1 percent).

Age retirants had had an average of 28 years in Government service and had paid contributions which, with interest, amounted to \$1,110. Their average retirement allowance was \$969 a year, only 10 percent of which had been purchased with their own contributions. Women made up 10 percent of this group.

One of every 4 disabled beneficiaries was a woman. Although disabled employees are entitled to benefits at any age after 5 years of credited service, disabled annuitants on the rolls June 30, 1943, had served 21.2 years on the

average. Their average annuity was \$801, of which 9 percent had been purchased with employee contributions.

Persons who had retired voluntarily after at least 30 years of service (14 percent of all annuitants) had an average period of service of 34.9 years. Their annuities were the highest, averaging \$1,229, of which 11 percent was purchased with their own contributions. Only 7 percent of this group of annuitants were women.

Persons retired involuntarily after 30 years' service (10 percent of the total) had an average of 32.1 years of Government service. Their average retirement allowance was \$1,180, of which about 7 percent had been purchased with employee contributions. Of this group, 7 percent were women.

Workers retired voluntarily or involuntarily after serving from 5 to 30 years and survivor beneficiaries equaled only 6 percent of all annuitants. Survivors, who are eligible for annuities only if the deceased annuitant had elected a reduced benefit during his lifetime, are a small group, partly because the joint and survivorship elections did not become effective until January 1940. Of the provisions for retirement with less than 30 years' service, only the one covering involuntary separation after at least 15 years' service was in effect before January 1942. Most of the annuitants receiving benefits under the January 1942 amendments had been added during 1942-43; with the passage of time, this group will undoubtedly

Table 2.—Payments under selected social insurance and related programs, by specified period, 1936-44¹

[In thousands; data corrected to Apr. 5, 1944]

Calendar year and month	Total	Retirement, disability, and survivor payments										Re-funds to employees leaving Federal civil service ⁵	Unemployment insurance payments			
		Total	Monthly retirement and disability payments ²				Survivor payments						Total	State unemployment compensation laws ¹¹	Railroad Unemployment Insurance Act ¹²	
			Social Security Act ³	Railroad Retirement Act ⁴	Civil Service Commission ⁴	Veterans Administration ⁴	Monthly			Lump-sum						
							Social Security Act ⁷	Railroad Retirement Act ⁴	Veterans Administration ⁸	Social Security Act ⁹	Railroad Retirement Act ⁴					Civil Service Commission ⁸
1936	\$461,760	\$458,765	-----	\$683	\$51,630	\$299,001	-----	\$2	\$99,092	-----	\$4,062	\$3,395	\$2,864	\$131	\$131	-----
1937	505,143	499,532	-----	40,001	53,694	299,660	-----	444	96,370	\$1,278	4,401	3,684	3,479	2,132	2,132	-----
1938	972,926	575,814	-----	96,766	56,118	301,277	-----	1,383	101,492	10,478	\$291	4,604	3,405	3,326	393,786	393,786
1939	1,046,006	608,095	-----	107,282	58,331	307,512	-----	1,451	109,192	13,896	1,926	4,952	3,553	2,846	435,065	429,298
1940	1,191,908	654,042	\$21,075	114,166	62,019	317,851	\$7,784	1,448	105,696	11,736	2,497	5,810	3,960	3,277	534,589	518,700
1941	1,090,104	728,631	55,141	119,913	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352	4,615	358,858	344,321
1942	1,137,073	780,364	80,304	122,806	68,115	325,265	41,702	1,603	111,193	15,034	4,114	6,108	4,120	6,357	350,352	344,084
1943	929,415	838,046	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,890	5,560	7,344	4,350	10,809	80,560	79,643
1943																
February	79,209	67,763	7,623	10,364	5,941	27,293	4,308	138	9,332	1,453	421	547	342	408	11,038	10,878
March	80,534	68,778	7,781	10,386	5,968	27,416	4,492	140	9,445	1,672	414	627	435	870	10,887	10,744
April	77,486	69,230	7,871	10,444	5,985	27,440	4,615	140	9,530	1,635	517	668	417	781	7,475	7,369
May	76,797	69,454	7,976	10,386	6,022	27,449	4,735	139	9,549	1,665	565	601	367	907	6,437	6,353
June	75,849	69,288	8,004	10,432	6,067	27,456	4,770	143	9,480	1,398	513	629	395	871	5,990	5,950
July	76,114	69,702	8,193	10,447	6,087	27,820	4,824	143	9,309	1,418	517	578	367	515	5,594	5,561
August	75,630	69,511	8,262	10,505	6,095	27,307	4,912	148	9,427	1,416	470	565	342	886	5,234	5,191
September	76,497	70,475	8,358	10,602	6,180	27,393	5,056	142	9,845	1,434	483	644	339	1,544	4,477	4,433
October	75,924	71,376	8,471	10,609	6,195	27,716	5,174	146	10,200	1,433	465	625	341	957	3,591	3,546
November	76,408	71,912	8,566	10,615	6,228	28,204	5,284	142	10,244	1,442	437	419	329	915	3,582	3,540
December	79,019	73,250	8,686	10,643	6,280	28,574	5,422	148	10,349	1,468	445	902	333	1,453	4,316	4,274
1944																
January	81,537	74,452	8,880	10,637	6,319	29,523	5,568	141	10,502	1,584	402	563	333	1,738	5,346	5,271
February	84,344	76,431	9,138	10,665	6,356	30,609	5,763	147	10,557	1,725	531	587	353	1,689	6,224	6,156

¹ Data represent payments to individuals and exclude cost of administration. Payments under Social Security and Railroad Retirement Acts (including retroactive payments) and payments under Railroad Unemployment Insurance Act are amounts certified; payments under Civil Service Retirement and Veterans Administration are disbursements minus cancellations; State unemployment insurance payments are checks issued by State agencies. Totals are sums of unrounded figures, therefore may differ slightly from sums of rounded figures.

² Old-age retirement benefits under all acts, disability retirement benefits under Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

³ Represents primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

⁴ Amounts certified, minus cancellations. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁵ Represents principally payments from civil-service retirement and disability fund but includes also payments from Canal Zone retirement and disability fund and Alaska Railroad retirement and disability fund administered by Civil

Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Data for calendar years 1936-39 estimated on basis of fiscal-year data.

⁶ Veterans' pensions and compensation payments.

⁷ Represents widow's, widow's current, parent's, and child's benefits. Partly estimated.

⁸ Payments to widows, parents, and children of deceased veterans.

⁹ Represents survivor payments with respect to deaths of covered workers under both the 1935 and 1939 acts, and, for the period January 1937-August 1939, payments to covered workers at age 65 totaling \$9.9 million, which are not survivor payments.

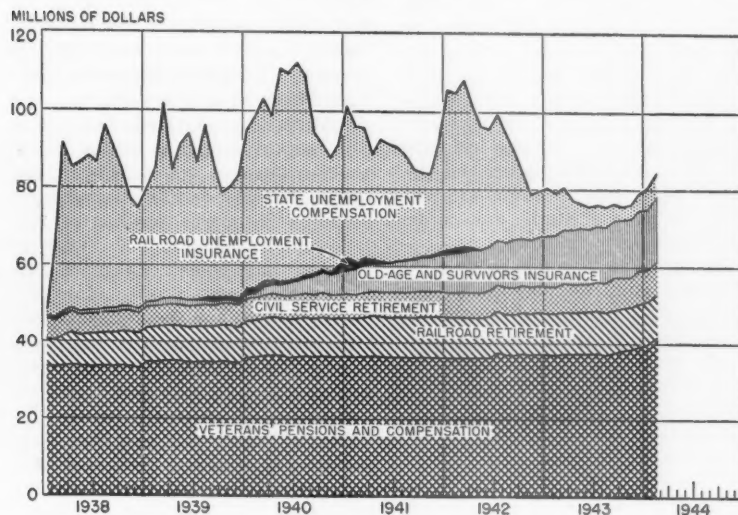
¹⁰ Payments for burial of deceased veterans.

¹¹ Annual figures adjusted for voided benefit checks; monthly figures unadjusted.

¹² 1941, 1942, and 1943 annual figures adjusted for underpayments and recoveries of overpayments; monthly figures unadjusted.

¹³ Preliminary estimate.

Chart 1.—Payments under selected social insurance and related programs, January 1938–February 1944



comprise an increasing proportion of the total. Workers retired voluntarily with at least 15 but less than 30 years' service represented 18 percent of all annuitants added during 1942–43 but only 3 percent of all annuitants on the roll at the end of the year.

Persons retiring voluntarily after 30 years' service also made up a much larger proportion of the beneficiaries entering the rolls during the year than of the total receiving benefits at the end of the year, 34 percent in contrast to 14 percent. Age retirees—that is, persons retired because they had reached the statutory maximum age—comprised only 13 percent of the additions during the year, but 43 percent of all beneficiaries on the rolls.

War conditions as well as the 1942 amendments to the act are undoubtedly reflected in these shifts. Annuities resulting from involuntary separations, which would naturally decrease when Government employment is expanding rather than retrenching,

Table 3.—Individuals receiving payments under selected social insurance and related programs, by month, February 1943–February 1944

[In thousands; data corrected to Apr. 5, 1944]

Year and month	Retirement, disability, and survivor beneficiaries										Employees receiving refunds on leaving Federal civil service ⁹	Unemployment insurance beneficiaries		
	Monthly retirement and disability beneficiaries				Survivor beneficiaries							State unemployment compensation laws ¹⁰	Railroad Unemployment Insurance Act ¹¹	
	Social Security Act ¹	Railroad Retirement Act ²	Civil Service Commission ³	Veterans Administration ⁴	Monthly			Lump-sum ⁵						
					Social Security Act ⁶	Railroad Retirement Act ⁶	Veterans Administration ⁷	Social Security Act	Railroad Retirement Act	Civil Service Commission				Veterans Administration
1943														
February.....	364.6	155.4	73.4	622.0	269.7	3.9	311.2	10.2	1.3	0.7	3.7	9.3	208.6	3.5
March.....	369.9	155.4	73.7	621.0	279.2	3.9	311.9	11.9	1.2	.8	4.4	14.8	181.5	2.6
April.....	375.1	155.6	74.0	620.8	288.2	3.9	312.2	11.8	1.4	1.0	4.1	13.1	131.2	1.9
May.....	380.6	155.6	74.4	621.9	297.2	3.9	313.4	11.9	1.6	.9	3.8	13.0	119.5	1.0
June.....	383.9	156.0	74.8	623.0	302.9	4.0	314.8	10.0	1.4	.9	3.8	12.2	100.3	.7
July.....	390.7	156.3	74.7	624.8	307.0	4.0	313.1	10.2	1.4	.9	3.7	20.9	90.6	.5
August.....	393.9	157.1	75.1	627.0	312.4	4.1	313.9	10.2	1.3	.8	3.2	22.3	88.8	.7
September.....	397.3	157.7	75.5	629.1	321.5	4.1	315.6	10.2	1.3	1.0	3.5	27.5	74.5	.7
October.....	401.3	158.1	76.0	633.7	329.5	4.1	318.4	10.1	1.2	1.3	3.4	17.3	60.7	.7
November.....	405.9	158.6	76.6	640.1	336.9	4.1	320.5	10.2	1.2	.8	3.4	18.4	56.4	.7
December.....	411.4	159.0	76.8	648.6	344.6	4.1	322.7	10.5	1.2	1.4	3.3	25.6	64.4	.7
1944														
January.....	419.3	158.9	77.5	663.1	352.8	4.1	323.4	11.2	1.0	1.0	3.3	29.8	84.0	1.3
February.....	427.9	159.2	77.5	687.5	363.1	4.2	325.1	12.2	1.3	1.0	3.5	26.9	104.0	1.2

¹ Primary beneficiaries and their wives and children for whom benefits were certified.

² Annuitants and pensioners on roll as of 20th of month; includes disability annuitants.

³ See table 2, footnote 5. Includes persons receiving survivor benefits under joint and survivor elections. Figures not adjusted for suspension of annuities of persons reemployed under National Defense Acts of June 28, 1940, and Jan. 24, 1942.

⁴ Veterans receiving pensions and compensation.

⁵ Widows, parents, and children for whom benefits were certified.

⁶ Widows receiving survivor benefits under joint and survivor elections and next of kin receiving death-benefit annuities for 12 months; number on roll as of 20th of month. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1.

⁷ Widows, parents, and children of deceased veterans on whose account payments were made during month.

⁸ For Social Security Act, deceased wage earners whose survivors received payments under either the 1935 or 1939 act; for Railroad Retirement Act, deceased wage earners whose survivors received payments certified in month ended on 20th calendar day; for Civil Service Commission, employees who died before retirement age and annuitants with unexpended balances whose survivors received payments; for Veterans Administration, survivors or other persons entitled to reimbursement for expenditures in connection with burial of deceased veterans.

⁹ See table 2, footnote 5, for programs covered.

¹⁰ Represents average weekly number of benefit recipients.

¹¹ Represents average number of persons receiving benefits for unemployment in a 14-day registration period.

accounted for only 3 percent of the annuities added during the year but for 13 percent of all annuities paid at the end of the fiscal year. Annuities resulting from voluntary separations made up 54 percent of the additions to the roll, but were only 17 percent of the total at the year end. Persons who voluntarily retired during 1942-43 had average periods of service at least as great as persons retiring voluntarily in earlier years. This fact suggests that Federal workers have not been disposed to claim their annuities as soon as they become eligible in order to look for nongovernmental jobs in this period of plentiful employment.

For most of the groups of beneficiaries, annuities awarded during the year were higher on the average than the value of all annuities in force at the end of the year. Of the year's awards, 20 percent were for \$1,200 and 18 percent were for more than this amount. The average annuity awarded during the year was \$986 and the average for all annuities in force on June 30, 1966. Persons beginning to receive annuities during the fiscal year have made contributions which, with interest, amounted to \$1,581 and would have purchased 13 percent of the average annuity. The average contribution of all persons on the rolls was \$1,135, which could have purchased only 10 percent of the average annuity. Women represented 20 percent of the accessions to the rolls during the fiscal year in contrast to only 14 percent of all annuitants at the end of the year.

Financial and Economic Data

Receipts

Federal social security tax receipts in February amounted to \$369 million—the largest monthly amount on record and 10 percent above receipts a year earlier, when the previous high was recorded (table 5). Despite this increase, these taxes were only 13 percent of all Federal receipts during the month, as compared with 28 percent in February 1943. That total more than doubled in this period, because other Federal taxes had almost tripled.

Collections under the Federal Insurance Contributions Act in February

were lower than in the second month of the preceding quarter (table 6). Combined receipts for January and February indicate that collections for the quarter will be considerably less than in the last quarter of 1943, though the Bureau of Labor Statistics unadjusted index of weekly wages in manufacturing increased appreciably for October-December, the period on which collections for the first quarter of 1944 are based. Collections declined similarly in the fourth quarter of 1943 following an increase in pay rolls. These declines are largely attributable to the number of persons whose total 1943 wages exceeded \$3,000—the maximum taxable in a year—by the end of the third or during the fourth quarter. Collections also declined in the first quarter of 1943, but not to the extent anticipated for the first quarter of 1944.

Quarterly averages for three major economic indexes and Federal insurance contributions based on wages paid are shown in table 4. The Federal Reserve Board unadjusted index of industrial production, which had risen almost continuously since early in 1940, reached its peak in October 1943. Declines in the 2 succeeding months brought the average for the fourth quarter—245 (1935-1939=100)—to that for the third quarter of the year. In the latter half of 1943 the Nation's industrial plant probably reached its peak production capacity, and it is unlikely that production can expand much further in 1944.

The Bureau of Labor Statistics index of weekly wage earners also tended to level off in the last quarter of 1943, but the index of weekly wages was 3 percent higher in the fourth quarter. At the end of 1943, aggregate wages in durable-goods industries were nearly five times the amount in 1939, while total wages in nondurable-goods industries had only doubled. This difference is due partly to difference in the average workweek in 1943—46.6 hours for the durable-goods industries and 42.5 hours for nondurable-goods production. January and February receipts, based on October-December taxable wages, indicated that Federal insurance contributions would show a decrease of approximately 9 percent from the fourth quarter of 1943 to the first quarter of 1944.

The index of industrial activity for the first 2 months of the first quarter of 1944 remained the same as in the last month of 1943. The index of weekly wage earners was 166.7 in January and 165.7 in February, a decline of less than 1 percent.

Federal unemployment tax collections during February totaled \$116.5 million; receipts of \$130.8 million during January and February, representing the major portion of collections on 1943 pay rolls, were 16 percent above collections in the first 2 months of 1943. The States collected \$304 million in unemployment taxes during January and February; in the same months of 1943, State collections totaled \$302 million. Collections in February under the Carriers Taxing Act and the Railroad Unemployment Insurance Act were lower by 45 and 41 percent, respectively, than in the same months of 1943.

Table 4.—Average indexes of industrial production, wage earners, weekly wages, and Federal insurance contributions, by quarter, 1939—February 1944

Year and quarter	Index of industrial production ¹	Index of wage earners ²	Index of weekly wages ³	Federal insurance contributions ⁴ (in millions)
1939				
First.....	100	95.3	93.7	\$133.3
Second.....	100	96.4	94.4	139.5
Third.....	110	100.8	99.3	141.8
Fourth.....	125	107.6	112.7	153.1
1940				
First.....	115	104.0	107.5	148.6
Second.....	118	102.4	106.4	161.2
Third.....	127	107.7	114.6	164.7
Fourth.....	138	116.1	129.5	162.8
1941				
First.....	144	119.9	139.6	170.9
Second.....	158	128.8	160.7	192.2
Third.....	170	138.4	178.5	207.7
Fourth.....	175	141.4	191.3	218.5
1942				
First.....	180	142.1	208.0	222.8
Second.....	191	148.1	228.2	246.7
Third.....	206	156.7	253.1	264.5
Fourth.....	220	162.4	279.7	278.5
1943				
First.....	228	166.3	297.6	276.7
Second.....	237	167.9	313.4	310.7
Third.....	245	170.2	321.9	333.2
Fourth.....	245	170.3	332.4	318.8
1944				
First (2 months).....	(9)	(9)	(9)	286.1

¹ Based on unadjusted monthly index of Federal Reserve Board; 1935-39=100.

² Based on unadjusted monthly index of U. S. Bureau of Labor Statistics; 1939=100.

³ Contributions reported for one quarter are based on wages earned in covered employment in preceding quarter.

⁴ Not available.

Expenditures

Federal expenditures in February for administration and grants to States under the Social Security Act—\$33 million—were \$8 million more than in February 1943. The total for the first 8 months of the current fiscal year, however, was slightly less than that for the corresponding months of 1942-43 (table 7), although increases occurred in grants for old-age assistance, aid to the blind, public health work, and maternal and child health services.

Total Federal expenditures in February were approximately 28 percent

higher than in February 1943. Expenditures under the Social Security Act and by the Railroad Retirement Board accounted for 3.5 percent of the February total as compared with 4.1 percent in February 1943.

Federal expenditures, including those from trust accounts, exceeded receipts by \$5.5 billion. This excess was accompanied by increases of \$12.4 billion in the public debt and of \$6.9 billion in the general fund balance of the Treasury. The increase in net investments of the two social security trust funds was equivalent to 2.9 percent of the increase in the public debt, and combined holdings of the

two funds at the end of February—\$10.3 billion—represented 5.7 percent of the interest-bearing public debt.

The computed average rate of interest on the public debt declined to 1.951 percent at the end of the month. Special obligations issued to either of the two trust funds in March continued to bear an interest rate of 1½ percent.

Status of Trust Accounts

Old-age and survivors insurance trust fund.—Assets of the trust fund, which rose \$235 million during February, totaled \$5,072 million at the end of the month (table 8). New invest-

Table 5.—Social security and total Federal receipts, expenditures, and public debt, by specified period, 1936-44

[In millions]

Period	General and special accounts										Trust accounts, etc., excess receipts (+) or expenditures (—)	Change in general fund balances	Public debt					
	Receipts of Federal Government				Expenditures ⁴ of Federal Government								Total	Old-age and survivors insurance trust fund	Unemployment trust fund	Railroad retirement account	All other	
	Total ¹	Social security taxes ²	Railroad retirement and unemployment taxes ³	All other	Total ¹	Under the Social Security Act		Under the Railroad Retirement Board		Excess receipts (+) or expenditures (—)								
						Administrative expenses and grants to States ⁵	Net appropriations and transfers to old-age and survivors insurance trust fund	Administrative expenses	Transfers to railroad retirement account									
Fiscal year:																		
1936-37	\$5,294	\$252	(7)	\$5,042	\$8,442	\$183	\$265	\$1	\$7,993	—\$3,149	+\$374	—\$128	\$36,425	\$267	\$312	—	\$35,846	
1937-38	6,242	604	\$150	5,488	7,626	291	387	3	7,799	—1,384	—306	—338	37,165	662	872	\$66	35,565	
1938-39	5,668	631	109	4,928	9,210	342	503	3	8,255	—3,542	—890	—622	40,440	1,177	1,267	67	37,929	
1939-40	5,925	712	126	5,087	9,537	379	539	8	8,490	—6,312	—137	—947	42,968	1,738	1,710	79	39,441	
1940-41	8,269	788	144	7,337	13,372	447	661	7	12,133	—5,103	—148	—742	48,961	2,381	2,273	74	44,233	
1941-42	13,668	1,016	178	12,474	33,265	501	869	10	141,374	—19,598	—3,506	—358	72,422	3,202	3,139	92	65,989	
1942-43	23,385	1,289	219	21,877	79,282	504	1,103	8	215,772	—55,897	—1,861	—6,515	136,696	4,237	4,367	178	127,914	
8 months ended:																		
February 1942	6,130	751	87	5,292	17,368	357	629	7	109,166	—11,238	—1,252	—929	62,381	2,761	2,923	102	56,595	
February 1943	10,312	954	115	9,243	48,396	357	799	5	180,475	—38,085	—1,115	—2,401	114,024	3,632	3,970	187	106,235	
February 1944	26,210	1,096	136	24,978	61,361	355	918	4	59,856	—35,151	—1,611	—9,649	183,107	4,868	5,427	322	172,490	
1943																		
February	1,190	336	8	846	6,354	25	235	1	6,093	—5,164	—122	—2,331	114,024	3,632	3,970	187	106,235	
March	5,207	6	44	5,157	7,355	37	1	1	7,316	—2,147	—549	—1,213	115,507	3,893	3,992	176	107,446	
April	1,555	47	3	1,505	7,507	59	41	1	35	—5,952	—48	—8,438	129,849	3,880	4,016	200	121,753	
May	1,742	276	6	1,460	7,697	37	262	(7)	7,398	—5,955	—39	—70	135,913	3,882	4,285	189	127,559	
June	4,569	6	51	4,512	8,327	15	(7)	1	8,311	—3,758	—206	—3,180	136,696	4,237	4,367	178	127,914	
July	2,048	47	1	2,000	7,153	58	41	(7)	161	—6,893	—5,105	—635	141,524	4,224	4,405	332	132,563	
August	3,005	295	15	2,695	7,901	52	294	(7)	7,565	—4,896	—131	—2,231	144,059	4,224	4,708	321	134,806	
September	5,448	4	49	5,395	7,535	32	(7)	(7)	7,503	—2,067	—410	—11,794	158,349	4,499	4,740	310	148,800	
October	2,069	45	1	2,023	7,495	57	39	(7)	7,365	—5,426	—132	—1,139	165,047	4,499	4,768	332	155,448	
November	2,370	284	8	2,078	8,110	40	271	(7)	7,799	—5,740	—290	—4,338	166,158	4,499	5,056	321	156,282	
December	5,737	5	56	5,676	7,453	24	1	1	7,427	—1,716	—667	—2,664	165,877	4,779	5,095	310	155,693	
1944																		
January	2,779	48	1	2,730	7,602	58	32	(7)	34	7,478	—4,823	—14	—55	170,659	4,768	5,166	333	160,392
February	2,754	369	4	2,381	8,112	33	250	(7)	7,829	—5,359	—173	—6,916	183,107	4,868	5,427	322	172,490	

¹ Beginning July 1940, Treasury reports of net receipts and expenditures of general and special accounts exclude appropriations to old-age and survivors insurance trust fund minus reimbursements to Treasury for administrative expenses; such net appropriations are included in this table for comparison with previous periods.

² Represents collections under Federal Insurance Contributions Act and Federal Unemployment Tax Act.

³ Represents total collections under Carriers Taxing Act and 10 percent of collections under Railroad Unemployment Insurance Act (see table 6, footnote 5).

⁴ Checks cashed and returned to Treasury. Excludes public-debt retirement.

⁵ Includes administrative expenses under Wagner-Peyser Act for employment

service administration, July 1940–December 1941, but excludes grants to States under that act; the latter are included in "all other." From Jan. 1 through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States. Excludes administrative expenses incurred by Treasury prior to July 1940 in administration of title II of Social Security Act and Federal Insurance Contributions Act. Also excludes funds for disease and sanitation investigations of Public Health Service.

⁶ Includes all trust accounts, increment resulting from reduction in weight of gold dollar, expenditures chargeable against increment on gold (other than retirement of national bank notes), and receipts from seigniorage.

⁷ Less than \$500,000.

Source: Daily Statement of the U. S. Treasury.

ments, amounting to \$100 million, consisted entirely of publicly offered 2½-percent Treasury bonds, 1965-1970 series, acquired at par plus interest accrued since February 1, the date of issue. No securities were redeemed during the month. Investments at the end of the month totaled \$4,868 million, with an average rate of interest of 2.228 percent as compared with 2.439 percent a year earlier. Benefit checks cashed totaled \$15.7 million for the month, \$419,000 more than in January.

Railroad retirement account.—Treasury notes amounting to \$11.0 million were sold during the month

(table 9). This amount, together with interest of \$211,000 and the balance remaining from January operations, made \$12.6 million in cash available to meet current benefit obligations. The latter amounted to \$11.3 million leaving a cash balance of \$1.3 million at the end of the month. Assets at the end of January included this small cash balance and the \$322 million remaining in Treasury notes.

Unemployment trust fund.—States deposited \$263.2 million in the unemployment trust fund during February; deposits for January and February combined were 8 percent less than in the first 2 months of the preceding

quarter (table 10). Withdrawals from State accounts for benefit payments were \$5.1 million less than in February 1943 but \$850,000 above those in January 1944. Deposits in the railroad unemployment insurance account totaled \$674,000 in February. Benefit payments to railroad workers increased in February, but were less than half the amount a year earlier.

The \$261 million of new 1⅞-percent special certificates of indebtedness, 1944 series, acquired in February raised total investments to \$5,427 million at the end of the month. The average rate of interest was 1.888 percent as compared with 2.221 percent on February 28, 1943.

Table 6.—Social insurance taxes under selected programs, by specified period, 1936-44

[In thousands]

Period	Old-age and survivors insurance		Unemployment insurance		
	Federal insurance contributions ¹	Taxes on carriers and their employees ²	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions ⁵
Cumulative through February 1944.....	\$5,498,568	\$1,026,268	\$6,886,327	\$889,974	\$361,930
Fiscal year:					
1936-37.....	194,346	345	(7)	\$57,751	—
1937-38.....	514,406	150,132	(7)	\$90,104	—
1938-39.....	530,358	109,257	803,007	100,869	—
1939-40.....	604,694	120,967	853,955	107,523	49,167
1940-41.....	690,555	136,942	888,450	97,677	68,162
1941-42.....	895,619	170,012	1,063,901	119,944	84,738
1942-43.....	1,130,495	208,795	1,215,201	158,361	102,710
8 months ended:					
February 1942.....	646,186	83,183	816,618	104,843	39,853
February 1943.....	816,893	109,543	886,532	137,083	51,081
February 1944.....	938,095	129,819	995,349	157,746	57,154
1943					
February.....	236,743	7,387	173,586	99,042	1,271
March.....	2,858	41,766	4,485	3,243	25,201
April.....	43,407	2,971	147,548	3,260	94
May.....	264,568	5,897	168,030	11,653	470
June.....	2,709	48,618	8,585	3,121	25,864
July.....	43,584	1,119	146,939	3,226	69
August.....	266,625	15,027	197,513	8,051	1,316
September.....	3,018	46,175	4,787	1,063	24,863
October.....	41,542	1,091	136,021	3,031	1,553
November.....	273,587	8,206	196,735	10,478	1,523
December.....	3,671	52,914	9,273	1,145	27,069
1944					
January.....	33,849	1,231	128,723	14,222	211
February.....	252,219	4,055	175,358	116,529	750

¹ Tax effective Jan. 1, 1937, payable by employers and employees.

² Federal tax effective Mar. 1, 1936, payable by carriers and employees.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees, deposited in State clearing accounts. Data include contributions based on wages from railroad industry prior to July 1, 1939. Data reported by State agencies, corrected to Mar. 28, 1944.

⁴ Tax effective Jan. 1, 1936, payable by employers only. Amounts paid into State unemployment funds not included.

⁵ Tax effective July 1, 1939, payable by employers only. Amounts differ from figures in table 5, which represent only the 10 percent deposited in general and special accounts of Treasury.

⁶ Includes \$40,561,886 subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employers paid full tax to the Federal Government.

⁷ Not available.

Source: Daily Statement of the U. S. Treasury, unless otherwise noted.

Table 7.—Federal appropriations and expenditures for administrative expenses and grants to States under the Social Security Act, by specified period, 1942-44¹

[In thousands]

Item	Fiscal year 1942-43		Fiscal year 1943-44	
	Appropriations ²	Expenditures through February ³	Appropriations ²	Expenditures through February ³
Total.....	\$544,688	\$356,858	\$482,038	\$355,455
Administrative expenses.....	27,128	21,094	25,510	20,903
Federal Security Agency, Social Security Board.....	26,642	16,098	24,900	15,636
Department of Labor, Children's Bureau.....	376	286	360	283
Department of Commerce, Bureau of the Census.....	110	266	250	181
Department of the Treasury.....	(9)	4,443	(9)	4,803
Grants to States.....	517,560	335,765	456,528	334,552
Federal Security Agency.....	506,360	328,181	445,328	326,573
Social Security Board.....	495,360	320,127	434,328	318,486
Old-age assistance.....	329,000	216,235	325,000	242,244
Aid to dependent children.....	78,000	49,843	65,000	40,616
Aid to the blind.....	8,710	5,773	9,000	7,064
Unemployment compensation administration.....	79,650	48,276	35,328	28,563
Public Health Service: Public health work.....	11,000	8,054	11,000	8,087
Department of Labor, Children's Bureau.....	11,200	7,584	11,200	7,979
Maternal and child health services.....	5,820	3,878	5,820	4,468
Services for crippled children.....	3,870	2,565	3,870	2,452
Child welfare services.....	1,510	1,141	1,510	1,060

¹ Excludes some funds appropriated and expended under the Social Security Act, because they are not separated from other Federal funds for similar purposes.

² Excludes unexpended balance of appropriations for previous fiscal year.

³ Based on checks cashed and returned to the Treasury. Includes expenditures from reappropriated balance of appropriations for previous fiscal year.

⁴ Includes amounts expended by the Board in administration of title II of the act, reimbursed to general fund of the Treasury.

⁵ Represents amounts expended by the Treasury in administration of title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed to general fund of the Treasury.

⁶ Not available.

⁷ Through Nov. 30, 1942, includes Federal expenditures for operation of employment services in the States.

Source: Various Federal appropriation acts (appropriations); Daily Statement of the U. S. Treasury (expenditures).

Table 8.—Status of the old-age and survivors insurance trust fund, by specified period, 1936-44

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund ¹	Interest received ²	Benefit payments ³	Reimbursement for administrative expenses	Net total of Treasury notes and bonds acquired ⁴	Cash with disbursing officer at end of period	Credit of fund account at end of period ⁵	Total assets at end of period
Cumulative through February 1944.....	\$5,357,350	\$304,277	\$476,246	\$113,718	\$4,867,870	\$31,114	\$172,679	\$5,071,663
Fiscal year:								
1936-37.....	265,000	2,262	27	-----	267,100	73	62	267,235
1937-38.....	387,000	15,412	5,404	-----	395,200	1,931	113,012	777,243
1938-39.....	503,000	20,951	13,892	-----	514,900	3,036	66	1,190,302
1939-40.....	550,000	42,489	15,805	12,288	560,900	6,098	500	1,744,698
1940-41.....	688,141	55,958	64,342	26,840	642,500	10,778	6,238	2,397,615
1941-42.....	895,619	71,007	110,281	26,766	821,034	20,384	5,176	3,227,194
1942-43.....	1,130,495	87,403	149,304	27,492	1,035,200	24,495	6,966	4,268,296
8 months ended:								
February 1942.....	646,186	932	68,100	17,516	380,480	17,614	180,422	2,950,117
February 1943.....	816,893	2,245	94,522	17,984	430,800	25,434	275,958	3,933,827
February 1944.....	938,095	2,795	117,192	20,331	631,036	31,114	172,679	5,071,663
1943								
February.....	236,743	244	12,548	1,809	-13,000	25,434	275,958	3,933,827
March.....	2,858	946	13,605	1,809	290,600	24,793	4,389	3,922,216
April.....	43,407	306	13,547	2,566	-13,000	24,238	45,543	3,949,815
May.....	264,568	-----	13,721	2,566	-----	24,509	293,552	4,198,096
June.....	2,769	83,907	13,909	2,566	356,800	24,495	6,966	4,268,296
July.....	43,584	8	13,696	2,823	-13,000	23,792	47,743	4,295,369
August.....	286,625	-----	13,938	2,823	-----	23,845	317,554	4,565,234
September.....	3,018	554	14,301	2,823	275,051	24,468	28,328	4,551,682
October.....	41,542	-----	14,549	2,619	-----	25,910	51,260	4,576,055
November.....	273,587	-----	14,748	2,619	-----	27,152	306,237	4,832,274
December.....	3,671	2,122	14,990	2,619	279,949	29,097	12,527	4,830,458
1944								
January.....	33,849	110	15,275	2,002	-11,000	30,816	38,490	4,837,140
February.....	252,219	-----	15,693	2,002	100,036	31,114	172,679	5,071,663

¹ Beginning July 1940, trust fund appropriations equal taxes collected under Federal Insurance Contributions Act.

² Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

³ Based on checks cashed and returned to Treasury.

⁴ Minus figures represent net total of notes redeemed; includes accrued interest.

⁵ Prior to July 1940, includes balance of appropriation available for transfer.

Source: Daily Statement of the U. S. Treasury.

Table 9.—Status of the railroad retirement account, by specified period, 1938-44

[In thousands]

Period	Receipts			Transfers from appropriation to trust fund	Benefit payments ¹	Assets at end of period			
	Amount appropriated	Interest received	Total			3-percent special Treasury notes	To credit of appropriation ²	To credit of disbursing officer	Total
Cumulative through February 1944.....	\$1,116,871	\$18,260	\$1,135,131	\$1,082,371	\$765,731	\$322,000	\$34,722	\$12,678	\$369,400
Fiscal year:									
Through June 1938.....	146,500	1,411	147,911	146,406	79,849	66,200	234	1,628	68,062
1938-39.....	118,250	2,202	120,452	107,094	105,774	67,200	13,206	2,334	82,740
1939-40.....	120,150	2,283	122,433	120,650	113,099	79,400	10,847	1,826	92,073
1940-41.....	113,600	2,534	116,134	124,350	121,174	74,000	2,503	10,530	87,033
1941-42.....	140,850	3,143	143,993	140,850	126,244	91,500	1,597	11,686	104,782
1942-43.....	214,801	5,777	220,578	214,801	130,465	178,000	4,120	12,776	194,896
1943-44 (through February).....	262,720	911	263,631	228,220	89,126	322,000	34,722	12,678	369,400
1943									
February.....	-----	193	193	-----	10,837	187,000	34,900	12,391	234,291
March.....	-----	238	238	-----	11,080	176,000	34,944	12,495	223,440
April.....	-----	241	241	34,700	11,073	200,000	248	12,360	212,607
May.....	-----	292	292	-----	11,045	189,000	302	12,552	201,854
June.....	-----	4,117	4,117	-----	11,076	178,000	4,120	12,776	194,896
July.....	262,720	10	262,730	160,720	11,078	332,000	102,052	12,495	446,548
August.....	-----	46	46	-----	11,077	321,000	102,049	12,468	435,517
September.....	-----	74	74	-----	11,088	310,000	102,076	12,427	424,503
October.....	-----	101	101	33,500	11,283	333,000	68,008	12,713	413,321
November.....	-----	129	129	-----	11,144	321,000	68,633	12,672	402,305
December.....	-----	156	156	-----	11,096	310,000	68,673	12,693	391,366
1944									
January.....	-----	184	184	34,000	11,214	333,000	34,700	12,636	380,336
February.....	-----	211	211	-----	11,147	322,000	34,722	12,678	369,400

¹ Based on checks cashed and returned to Treasury.

² Represents balances in appropriation and trust fund accounts, including net credit from adjustments such as cancellations and repayments.

³ Appropriation reduced by transfer of \$9 million in October 1940 to prior-

service account for collection of service and compensation data of railroad workers prior to 1937.

Source: Daily Statement of the U. S. Treasury.

Table 10.—*Status of the unemployment trust fund, by specified period, 1936-44*¹

[In thousands]

Period	Total assets at end of period	Net total of Treasury certificates and bonds acquired ²	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals ³	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period ⁴
Cumulative through February 1944.....	\$5,435,081	\$5,427,000	\$8,081	\$6,925,374	\$306,916	\$2,233,583	\$4,998,706	\$325,750	\$19,268	\$43,628	\$436,370
Fiscal year:											
1936-37.....	312,389	293,386	94	291,703	2,737	1,000	312,389				
1937-38.....	884,247	559,705	12,247	747,660	15,172	190,975	884,247				
1938-39.....	1,280,539	395,000	13,539	811,251	26,837	441,795	1,280,539				
1939-40.....	1,724,862	443,000	14,862	859,864	37,524	484,764	1,693,164	44,249	202	14,552	31,669
1940-41.....	2,283,658	563,000	10,658	892,023	45,893	537,343	2,093,737	61,347	3,050	17,784	189,921
1941-42.....	3,150,103	866,000	11,103	1,095,991	61,998	368,070	2,883,654	76,266	5,424	9,072	266,447
1942-43.....	4,372,460	1,228,000	5,460	1,217,686	75,563	174,334	4,002,569	92,441	6,861	1,834	369,888
8 months ended:											
February 1942.....	2,039,810	650,000	16,810	815,877	28,750	224,769	2,713,594	35,959	2,515	6,035	228,178
February 1943.....	3,977,252	831,000	7,252	882,118	34,800	143,452	3,657,119	45,974	3,174	1,438	320,129
February 1944.....	5,435,081	1,060,000	8,081	990,339	41,101	35,302	4,998,706	51,446	3,722	386	436,370
1943											
February.....	3,977,252	253,000	7,252	261,206		11,243	3,657,119	1,144		173	320,129
March.....	4,000,027	22,000	8,027	11,209		10,955	3,657,373	22,681		160	342,650
April.....	4,027,054	21,021	11,033	34,839		7,780	3,684,432	86		118	342,618
May.....	4,268,319	269,000	13,299	276,672		5,758	3,955,346	423		71	342,970
June.....	4,372,460	81,979	5,460	12,848		6,388	4,002,569	23,278		47	369,888
July.....	4,411,878	38,000	6,878	43,628		4,207	4,041,990	62		65	369,888
August.....	4,719,315	303,000	11,315	299,709		5,124	4,336,575	1,185		33	382,737
September.....	4,746,325	32,000	6,325	8,855		4,182	4,341,248	22,377		40	405,074
October.....	4,779,705	28,000	11,705	35,567		3,366	4,373,449	1,217		39	406,252
November.....	5,066,953	288,000	10,953	289,375		3,457	4,659,367	1,372		42	407,582
December.....	5,146,745	39,000	51,745	14,238		3,594	4,711,112	24,362	3,722	37	435,629
1944											
January.....	5,177,412	71,000	11,412	35,787		5,262	4,741,637	197		56	435,770
February.....	5,435,081	261,000	8,081	263,181		6,112	4,998,706	674		74	436,370

¹ Beginning July 1939, contains separate book account for railroad unemployment insurance, in which are held moneys deposited by the Railroad Retirement Board and from which the Secretary of the Treasury makes benefit payments as certified by the Railroad Retirement Board. Contains also separate account for each State agency, in which are held all moneys deposited from State unemployment funds and from which State agencies withdraw amounts as required for benefit payments. Totals are sums of unrounded figures, therefore, may differ slightly from sums of rounded figures.

² Includes accrued interest.

³ Includes transfers from State accounts to railroad unemployment insurance account amounting to \$105,901,000.

⁴ Includes transfers from railroad unemployment insurance administration fund amounting to \$29,082,667.

Source: *Daily Statement of the U. S. Treasury.*

Recent Publications in the Field of Social Security

Social Security Board

U. S. SOCIAL SECURITY BOARD. BUREAU OF OLD-AGE AND SURVIVORS INSURANCE. *Service Area Directory of Regional, Field, and Area Offices, January 1944.* Washington: U. S. Government Printing Office, 1944. 70 pp.

U. S. SOCIAL SECURITY BOARD. BUREAU OF PUBLIC ASSISTANCE. *Sheltered Care and Home Services for Public Assistance Recipients; With a Note on Methods of Conducting Studies of Public Assistance Administration.* Washington: U. S. Government Printing Office, 1944. 149 pp. (Public Assistance Report No. 5), 25 cents.

A report—principally for the use of public assistance administrators and staff workers—of the work of public assistance agencies in meeting certain needs of the aged and the blind for services in addition to cash pay-

ments. It presents results of a study in six urban localities of "sheltered care"—i. e., care which provides some service or supervision beyond housing and food—under private nonfamily arrangements and in public institutions; of services in the homes of the persons receiving aid; and of practices respecting guardianship for adults. The appendix considers the methodology of this and similar surveys, presents statistical data from the localities studied, and contains a bibliography.

War and Social Services

CANADA. ADVISORY COMMITTEE ON RECONSTRUCTION. *Report, Ottawa, September 24, 1943.* Ottawa: King's Printer, 1944. 64 pp.

A general interim report by the committee headed by F. Cyril James, with L. C. Marsh as research adviser. It outlines the principal wartime

changes in Canada, notes the role of private enterprise, and considers organized labor, agriculture, Dominion-Provincial relations, and Canada in the world economy. In the section on the area of governmental responsibility it offers suggestions concerning social security, machinery for reemployment, public investment programs, and related questions. Its recommendations on social security have been presented in the Marsh Report, already published.

ENGLAND, ROBERT. "Canada and the Discharged Service Man." *Public Affairs*, Halifax, N. S., Vol. 7, No. 2 (Winter 1944), pp. 108-117.

"The I. L. O. and Post-War Problems." *International Labour Review*, Montreal, Vol. 49, No. 3 (March 1944), pp. 277-297.

The text of addresses made last December by Ernest Bevin and Anthony Eden before the ILO governing body.

INTERNATIONAL LABOR OFFICE. *Co-operative Organisations and Post-War Relief.* Montreal: The Office, 1943. 173 pp. (Studies and Reports, Series H, No. 4.)

A general survey of the different forms of cooperatives existing in the pre-war period, and an examination of "the possible role of the co-operative movement in the immediate post-war problem of relief."

INTERNATIONAL LABOR OFFICE. *Minimum Standards of Social Policy in Dependent Territories.* Montreal: The Office, 1944. 109 pp. (International Labor Conference, 26th Session, Fifth Item on the Agenda.)

A discussion of the problems of dependent territories and of the questions considered particularly relevant for action on the part of the Philadelphia Conference. Includes a section on health, housing, and social security.

INTERNATIONAL LABOR OFFICE. *The Organisation of Employment in the Transition From War to Peace.* Montreal: The Office, 1944. 179 pp. (International Labor Conference, 26th Session, Third Item on the Agenda.)

Discusses and makes recommendations concerning virtually the whole field of the labor market. Also considers the problems of an efficient employment service, public works planning, and such financial aids to the unemployed as mustering-out bonuses, unemployment insurance, and assistance. Contains, in English and French, the text of four proposed recommendations and one draft resolution for the consideration of the Philadelphia session of the International Labor Conference.

INTERNATIONAL LABOR OFFICE. *Social Security: Principles and Problems Arising Out of the War; Part 1—Principles.* Montreal: The Office, 1944. 115 pp. (International Labor Conference, 26th Session, Fourth Item on the Agenda.)

Proposals derived from past ILO recommendations as well as from contemporary social insurance legislation and social security planning, for action by the Philadelphia Conference. Under the two headings Income Security and Medical Care, the report discusses both insurance and assistance and considers the integration of health services, quality of medical care, its finance, coverage, and administration. Crystallizes modern thought on virtually every aspect of the principles of social security, with recognition of the need for a flexible viewpoint on many questions involving varying possible solutions. A second part of the report will deal with social security problems arising from the war.

MOCK, JAMES R., AND THURBER, EVANGELINE. *Report on Demobilization.* Norman, Okla.: University of Oklahoma Press, 1944. 257 pp.

The transition from war to peace in the United States after November 1918, with discussion of demobilization problems of the future.

PATMAN, WRIGHT. *Handbook for Servicemen and Servicewomen of World War II and Their Dependents, Including Rights and Benefits of Veterans of World War I and Their Dependents.* Washington: U. S. Government Printing Office, 1944. 60 pp. (78th Cong., 2d Sess. H. Doc. 394.)

U. S. CONGRESS. SENATE. *Benefits to Veterans and Their Dependents; Analysis of Rights of All Veterans and Their Dependents to Pension or Compensation.* Washington: U. S. Government Printing Office, 1944. 26 pp. (78th Cong., 2d Sess. S. Doc. 146.)

A detailed tabular analysis, prepared by the Veterans Administration.

WACHENHEIM, HEDWIG. "Allowances for Dependents of Mobilised Men in Germany." *International Labour Review*, Montreal, Vol. 49, No. 3 (March 1944), pp. 323-338.

General

BOLIVIA. CAJA DE SEGURO Y AHORRO OBRERO. *Memoria, 1940-1942.* Victor Andrade, Manager. La Paz, May 1943. 106 pp.

The Bolivian Workers' Insurance and Savings Fund functions chiefly as a compulsory savings institution in the mining industry, with limited coverage in manufacturing establishments; it also indemnifies workers and provides medical care in the case of occupational accident and disease. This report, the second issued since the Fund was founded in August 1935, covers these activities and certain others, including the start on a workers' hospital in La Paz.

"O BRASIL E O PLANO BEVERIDGE." *Revista do Serviço Público*, Rio de Janeiro, 6th Year, Vol. 4, No. 2 (November 1943), pp. 124-131.

The texts of several papers given before a session of the training division of the Brazilian Public Service Administrative Department.

CANADA. DEPARTMENT OF LABOUR. *Report . . . for the Fiscal Year Ending March 31, 1943.* Ottawa: King's Printer, 1944. 63 pp.

CARVALHO, M. CAVALCANTI DE. *Evolução do Estado Brasileiro; Estru-*

tura Política, Ordenação Jurídica, Organização Corporativa, Política Legislativa do Trabalho. Rio de Janeiro: A. Coelho Branco F. (Editor), 1941. 234 pp.

An exposition of the political philosophy of the Brazilian State, as evidenced in its recent political, legal, corporative, and social evolution. Labor law and social legislation are emphasized, and the discussion of social insurance is supplemented by comprehensive statistics on the development of social security, 1923-40.

CASSIDY, HARRY M. "Three Social Security Plans for Canada." *Public Affairs*, Halifax, N. S. Vol. 7, No. 2 (Winter 1944), pp. 71-74.

Compares the recommendations made in 1943 by the author (*Social Security and Reconstruction in Canada*), L. C. Marsh (the official Report on Social Security for Canada), and Charlotte Whitton (*The Dawn of Ampler Life*).

CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA. *Social Security in America; Addresses, National Conference on Social Security Sponsored by Chamber of Commerce of the United States, January 1944.* Washington: The Chamber, 1944. 103 pp.

Fourteen papers representing the views of business, government, and other groups on the general question of social security, employment and unemployment compensation, health insurance and the economics of medical care, veterans' rehabilitation, the Beveridge Plan and America, and old-age and survivors insurance.

"Deluding the Taxpayer." *The Statist*, London, Vol. 141, No. 3438 (Jan. 15, 1944), pp. 41-42.

Adverse editorial comment on the Beveridge plan.

DORNSIFE, HAROLD W. *Selection of Supervisors.* Pasadena, Calif.: California Institute of Technology, Industrial Relations Section, 1944. 38 pp. (Bulletin No. 9.)

One of six pamphlets on supervision, based on the practices of companies in Los Angeles and San Francisco.

"Free and Low-Cost Food Distribution in Latin American Countries." *International Labour Review*, Montreal, Vol. 49, No. 3 (March 1944), pp. 339-346.

HIRSCHFELD, GERHARD. "The Price of Social Security: 20% of Our Income." *Medical Economics*, Ruthersford, N. J., Vol. 21, No. 4 (February 1944), pp. 64-66 ff.

INDUSTRIAL LIFE OFFICERS' ASSOCIATION, LONDON. *Industrial Assurance Explained; A Reply to Criticisms.* London: The Association, January 1944. 32 pp.

This booklet, issued in order to rectify "the many misunderstandings" said to exist respecting industrial life insurance, undertakes to answer specifically some criticisms made in the Beveridge report as well as in the Cohen Committee report of 1933.

KELLOCK, HAROLD. "Social Security." *Editorial Research Reports*, Washington, Vol. 1, No. 9 (Mar. 2, 1944), pp. 153-165.

Traces briefly the development of social security in the United States, outlines the provisions of the Wagner-Murray-Dingell bill, and considers wartime and possible post-war trends.

"Labor Conditions in Belgium." Prepared by Anice L. Whitney. *Monthly Labor Review*, Washington, Vol. 58, No. 2 (February 1944), pp. 280-298.

Includes information on social insurance as it existed before the war.

METALL, RUDOLFO ALADAR. "A Função Educativa do Seguro Social." *Revista do Serviço Público*, Rio de Janeiro, 6th Year, Vol. 4, No. 2 (November 1943), pp. 5-11.

Points out ways in which social security can and does perform important educational functions.

NASH, WALTER. "Social Security in New Zealand." *Public Affairs*, Halifax, N. S., Vol. 7, No. 2 (Winter 1944), pp. 78-83.

SMITH, A. DELAFIELD. "Elements of the Judicial in Security Programs." *Social Service Review*, Chicago, Vol. 17, No. 4 (December 1943), pp. 424-441.

Discussion of the need for sound judicial attitudes, processes, definitions, and precedents as supplementing and buttressing the work of agencies administering social security. Considers the principles of the fair hearing in cases of appeals from agency decisions.

STEVENSON, MARIETTA. "Social Welfare Legislation of 1943." *Social Service Review*, Chicago, Vol. 17, No. 4 (December 1943), pp. 408-423.

Summarizes Federal and State action in social security, child welfare, health, vocational rehabilitation, labor legislation generally, and measures for servicemen.

WOLFBEIN, SEYMOUR LOUIS. *The Decline of a Cotton Textile City; A Study of New Bedford.* New York: Columbia University Press, 1944. 179 pp. (Studies in History, Economics and Public Law No. 507.)

Old-Age and Survivors Insurance

CONTROLLERS INSTITUTE OF AMERICA. *Pension Plans; Social Security.* New York: The Institute, 1943. 51 pp. (Special Pamphlet No. 8 from the Proceedings of the Twelfth Annual National Meeting of the Institute.)

Contains the following papers: Trends in Retirement Plans Under Present Social and Economic Conditions, by N. E. Horelick; The Employer's and the Trust Company's Function Under a Trusteed Retirement Plan, by Ernest L. Colegrove; Tax Phases of Pension and Annuity Plans, by Herman C. Biegel; and The Cry for Security, by James L. Wick.

"Reactions to the Pension Plans." *Modern Hospital*, Chicago, Vol. 62, No. 3 (March 1944), pp. 69-71.

Opinions from hospital administrators regarding the desirability of retirement and old-age benefits for hospital employees.

NEW JERSEY. STATE EMPLOYEES' RETIREMENT SYSTEM. *Twenty-First Annual Report of the Board of Trustees*, June 30, 1943. Trenton, 1943. 32 pp.

"The Second Valuation." *Monthly Review of the Railroad Retirement Board*, Chicago, Vol. 5, No. 2 (March 1944), pp. 18-24. Processed.

A summary of the actuary's report—required every 3 years by law—on the assets and liabilities of the retirement systems under the Railroad Retirement Act.

SOUTH CAROLINA. POLICE INSURANCE AND ANNUITY FUND. *Report of the Board of Commissioners . . . for the Period December 1, 1942 to November 30, 1943.* Columbia, Dec. 15, 1943. 48 pp.

TENNESSEE VALLEY AUTHORITY. RETIREMENT SYSTEM. *Fourth Annual Report for the Fiscal Year Ended June 30, 1943.* Knoxville, Tenn., 1944. 19 pp.

Employment Security

"Factors Determining Post-War Job Transfers and Unemployment." *Monthly Labor Review*, Washington, Vol. 58, No. 2 (February 1944), pp. 269-279.

MISSOURI. UNEMPLOYMENT COMPENSATION COMMISSION. *Duration of Benefit Payments in the Case of Claimants Whose Benefit Years Ended in 1941 and in 1942.* Prepared by Department of Research and Statistics. Jefferson City, Oct. 1, 1943. 43 pp. Processed. (Special Research Bulletin No. 8.)

NEW YORK STATE. UNEMPLOYMENT INSURANCE ADVISORY COUNCIL. *Post-war Impact on Unemployment Insurance; Report*, March 1, 1944. New York, 1944. 54 pp. Processed.

A detailed study, with varying assumptions, of the solvency of the New York unemployment insurance system in the post-war period. Includes detailed information on the nature of employment changes in the State from January 1940 to June 1943.

PENNSYLVANIA. DEPARTMENT OF LABOR AND INDUSTRY. BUREAU OF EMPLOYMENT AND UNEMPLOYMENT COMPENSATION. *Trends in Covered Employment in Pennsylvania, 1940-1942.* Prepared by Research and Statistics Section. Harrisburg, Dec. 15, 1943. 17 pp. Processed. (Statistical Information Bulletin No. 38.)

UTAH. INDUSTRIAL COMMISSION. DEPARTMENT OF EMPLOYMENT SECURITY. *Postwar Solvency Study of the Utah Unemployment Reserve Fund.* Salt Lake City (?), December 1943. 11 pp. Processed.

Public Welfare and Relief

BOOK, DOROTHY L., Editor. *Family Budget Counseling.* New York: Family Welfare Association of America, 1944. 92 pp.

Directed to the special needs of social case workers in the financial counseling field, this pamphlet appraises basic budget items in terms of current conditions and discusses, with examples from case work, the psychological meaning of money, budget planning, case work processes, and savings and financial resources. A bibliography is included.

COUNCIL OF SOCIAL AGENCIES, COLORADO SPRINGS, COLORADO. *The Colorado Springs Community Survey of Social Welfare Agencies.* Colorado Springs, November 1944. 68 pp. Processed.

Describes and evaluates the work of all agencies in the community.

COUNCIL OF SOCIAL AGENCIES, LOUISVILLE, KENTUCKY. *A Study on Family Budget Needs; An Analysis of Seventy-five Relief Cases Under Care of Three Public Agencies in March, 1943.* Louisville: The Council, October 1943. 17 pp. Processed. (Research Monograph, Vol. 1, No. 2.)

Shows a condition—corrected to some degree since the survey—in which 95 percent of the relief families were living on a budget that did not enable them to maintain minimum living standards.

"County Poor Farms." *Public Welfare in South Dakota*, Vol. 7, No. 1 (January 1944), pp. 12-13. Processed.

DIECKS, LOUISE. "Public-Private Cooperative Relationships." *Public Welfare*, Chicago, Vol. 2, No. 3 (March 1944), pp. 75-79.

Traces welfare developments and planning in Louisiana.

FISCHER, VIOLET M. "Kansas County Homes After the Social Security Act." *Social Service Review*, Chicago, Vol. 17, No. 4 (December 1943), pp. 442-465.

Notes some advantages that would accrue from repeal of the restriction in the Social Security Act against paying Federal funds to aged persons in public institutions. An editorial, pp. 501-502, also considers the point.

HETTIG, T. DAVID. "A Comparison of Aid to Dependent Children Payments in Utah and Federal Matching Maxima." *Utah Public Welfare Review*, Salt Lake City, Vol. 1, No. 4 (February 1944), pp. 1-6.

KERR, JAMES G. "Administration and Operation of Public Welfare Programs: Implementing Public Assistance Laws." *Utah Public Welfare Review*, Salt Lake City, Vol. 1, No. 4 (February 1944), pp. 11-15.

Fourth of a series on Utah public welfare.

LEET, GLEN. "Without Benefit of Settlement." *Survey Midmonthly*, New York, Vol. 80, No. 2 (February 1944), pp. 44-46.

A discussion of Rhode Island's abolition of State and local residence laws in connection with granting of all types of public assistance.

LENROOT, KATHARINE F. "Inter-American Co-operation for Child Welfare and Its Meaning for the Post-War World." *Social Service Review*, Chicago, Vol. 17, No. 4 (December 1943), pp. 393-407.

A record of child welfare work in several Latin American countries as well as of organized cooperation over the past quarter century.

NICHOLSON, L. I. "Recoveries in Old Age Assistance." *Public Welfare Bulletin* (North Dakota), Bismarck, Vol. 8, No. 12 (December 1943), pp. 18-19. Processed.

Discussion and statistics on the provisions of the North Dakota Old-Age Assistance Act concerning reimbursement to the State from the property or estate of persons receiving aid.

SÃO PAULO, BRAZIL. DEPARTAMENTO DE SERVIÇO SOCIAL. *A Divisão Técnica do Departamento de Serviço Social Durante o Ano de 1942. Relatório Apresentado por Maria*

Kiehl. São Paulo, 1943. 127 pp.

A report of the work in 1942 of the Technical Division of the Social Service Department of the State of São Paulo, giving a comprehensive picture of the organization of the Division as well as of the nature and extent of its services.

"Summary of Public Assistance and Welfare Statistics for the Calendar Year 1943." *Utah Public Welfare Review*, Salt Lake City, Vol. 1, No. 4 (February 1944), pp. 7-10.

VICTORIA, AUSTRALIA. CHARITIES BOARD. *Twentieth Annual Report for the Year Ended 30th June, 1943*. Melbourne: Government Printer, 1943. 61 pp.

WARNER, GRACE. "Recent Trends in Public Assistance in South Dakota and in the United States." *Public Welfare in South Dakota*, Vol. 7, No. 1 (January 1944), pp. 7-11. Processed.

Health and Medical Care

"American Bar Association Committee Reports on Parts of Wagner-Murray Bill (S. 1161) Relating to Federal Regulation of Medicine." *Journal of the American Medical Association*, Chicago, Vol. 124, No. 11 (Mar. 11, 1944), pp. 716-721.

In addition to the full text of this report, which is opposed to the medical-care portions of the bill, the *Journal* has an editorial on the subject.

AMERICAN FORUM OF THE AIR. "Post-War Health Planning." Addresses by Henry J. Kaiser, Morris Fishbein, Ernst P. Boas, Kingsley Roberts, Louis H. Bauer, and Robert J. Watt. Washington: Ransdell, Inc., 1943. 19 pp. (*Proceedings*, Vol. 5, No. 38, Sept. 21, 1943.)

"Assumption B." *The Economist*, London, Vol. 146, No. 5244 (Feb. 26, 1944), pp. 263-264.

Discusses the British White Paper on a National Health Program, noted below under Great Britain.

BODMER, L. E. "Medical Reform in Great Britain." *Public Affairs*, Halifax, N. S., Vol. 7, No. 2 (Winter 1944), pp. 74-78.

BUTLER, ALLAN M. "Medical Freedom and the Wagner Bill." *Medical Care*, Baltimore, Vol. 4, No. 1 (February 1944), pp. 12-16.

A favorable appraisal of the bill, with advocacy of "a liberalism within the medical profession that permits expression of minority opinions and thus tolerant consideration, reasoned debate and constructive criticism."

COHEN, EVELYN GROSS. "A Medical Social Worker in a Public Assistance Agency." *The Family*, New York, Vol. 25, No. 1 (March 1944), pp. 13-19.

DAVIS, MICHAEL M. "Health Insurance Plans Under Medical Societies." *Medical Care*, Baltimore, Vol. 4, No. 1 (February 1944), pp. 17-36.

Developments in prepayment plans controlled by medical societies, and factors affecting their development.

FALK, I. S. "Proposed Extension of the Social Security Program, With Special Reference to Health and Medical Aspects." *New England Journal of Medicine*, Boston, Vol. 230, No. 9 (Mar. 2, 1944), pp. 243-249.

States the objectives for an adequate health program and outlines alternative ways in which they can be provided under health insurance.

FAXON, NATHANIEL W. "The Blue Cross, The Blue Shield and the Wagner-Murray-Dingell Bill." *New England Journal of Medicine*, Boston, Vol. 230, No. 9 (Mar. 2, 1944), pp. 249-254.

An explanation of the bill, with suggestions for modification of the medical-care sections, by the director of the Massachusetts General Hospital.

GREAT BRITAIN. MINISTRY OF HEALTH. *A National Health Service; The White Paper Proposals in Brief*. London: H. M. Stationery Office, 1944. 32 pp.

GREAT BRITAIN. MINISTRY OF HEALTH, AND DEPARTMENT OF HEALTH FOR SCOTLAND. *A National Health Service*. London: H. M. Stationery Office, 1944. 85 pp. (Cmd. 6502.)

This White Paper—a result of the Beveridge proposals of December 1942—presents for public discussion, not as fixed decisions, the proposals of the British Government for a comprehensive health program. The Paper outlines in some detail the Government proposals on general administrative structure, hospital and consultant services, general practitioner service, and clinic and other services. The appendixes include much useful material, together with a survey of existing health services in England and Scotland. Details of a comprehensive social insurance system will be dealt with in a later Paper.

KINGSBURY, JOHN A. "Soviet Health Lines Ahead." *Survey Graphic*, New York, Vol. 33, No. 2 (February 1944), pp. 110-111.

This account of Russian medical care is one of some 25 articles on "American-Russian Frontiers" which make up a special edition of the *Survey Graphic*.

LESTER, STUART. "The Men That Kaiser 'Waked'." *Medical Economics*, Rutherford, N. J., Vol. 21, No. 5 (March 1944), pp. 36-44.

The first of two articles on the health plan, hospital, and medical service at the Kaiser shipyards in Richmond, Calif.

MCCANN, JAMES J. "Health Insurance From the Public-Health Standpoint." *Canadian Journal of Public Health*, Toronto, Vol. 35, No. 2 (February 1944), pp. 59-65.

MURRAY, JAMES E. "Facts Against Fiction: For the Wagner Bill." *Medical Care*, Baltimore, Vol. 4, No. 1 (February 1944), pp. 58-67.

Senator Murray's reply to allegations made in a statement of resolutions adopted by the East Baton Rouge Parish (La.) Medical Society forms the concluding portion of a series of brief comments, from medical journals and other sources, brought together by the editors as "an exhibit of cons and pros on the Wagner-Murray-Dingell bill."

"Nineteen Forty-three: an Editorial Review." *Medical Care*, Baltimore, Vol. 4, No. 1 (February 1944), pp. 3-11.

Medical economics in 1943, with the national health program of the Wagner-Murray-Dingell bill regarded as the dominant issue.

PECK, JEROME F.; MEEDS, C. M.; and WALLACE, EDWIN W. "Poor Laws or Public Welfare? New York State Votes for Welfare." *Modern Hos-*

pital, Chicago, Vol. 62, No. 3 (March 1944), pp. 72-74.

How reimbursements to hospitals by county welfare departments are administered in Binghamton and Nassau County, N. Y.

PENNEL, ELLIOTT H. "Location and Movement of Physicians—Methods for Estimating Physician Resources." *Public Health Reports*, Washington, Vol. 59, No. 9 (Mar. 3, 1944), pp. 281-305.

RORTY, JAMES. "Health Under the Social Security Tent." *Antioch Review*, Yellow Springs, Ohio, Vol. 3, No. 4 (Winter 1943), pp. 498-511.

Comment on the medical-care portions of the Wagner-Murray-Dingell bill, the attitude of the American Medical Association, voluntary hospitalization insurance, and labor and management work in the health field in Detroit (UAW-CIO) and in the Kaiser hospitals on the Pacific Coast.

SCOTLAND. DEPARTMENT OF HEALTH. *Infant Mortality in Scotland; The Report of a Subcommittee of the Scientific Advisory Committee*. Edinburgh: H. M. Stationery Office, 1943. 83 pp.

SPECTATOR COMPANY, PHILADELPHIA. *Spectator Pocket Register of Accident Insurance . . . 1943*. Philadelphia: The Spectator, 1943. 64 pp. Processed.

"Showing the condition and business of American stock, mutual accident and health insurance companies and

hospital service associations—statistics of personal accident and health business only for five years ending January 1, 1943."

TITMUS, RICHARD M. *Birth, Poverty and Wealth; A Study of Infant Mortality*. London: Hamish Hamilton Medical Books, 1943. 118 pp.

A study of "past and present rates of infant mortality, and in particular class differences in the chances of death and life." Based chiefly on British data, but with comparative material from Europe and America, the work indicates that despite a general improvement among children of different income groups, infant death rates among poorer groups are relatively higher, in relation to the well-to-do, than ever before.

"Wagner Praises His 'Baby'." *Medical Economics*, Rutherford, N. J., Vol. 21, No. 4 (February 1944), pp. 81 ff.

Selections from Senator Wagner's articles in the New York Post in favor of the medical-care portions of his bill.

"What the People Think About Medicine and Medical Service." *Journal of the American Medical Association*, Chicago, Vol. 124, No. 11 (Mar. 11, 1944), pp. 706-707.

Comment on a public opinion survey conducted by a research group employed by the National Physicians Committee.

"The White Paper." *British Medical Journal*, London, Feb. 26, 1944, pp. 293-295.

(Continued from page 23)

In several States the maximum duration of protection was rather short. In 9 States, no claimant could receive benefits for as many as 16 full weeks. On the other hand, although there were 15 States where some eligible claimants were entitled to less than 4 weeks of benefits, in only 7 of these States did this group represent as much as 2 percent of all claimants.

There were 10 States which provided uniform duration of benefits for all eligible claimants, ranging from 13 weeks in New York to 20 weeks in Utah. By contrast, there were 10 States with variable duration

in which the average potential duration of benefits was less than 12 weeks.

In States with variable duration of benefits, potential duration was, of course, shortest for the claimants with low weekly benefit amounts. Yet even in States with uniform duration, these claimants had the highest exhaustion ratios, indicating that they experienced the longest periods of unemployment.

This experience indicates that, even in a period of high and rising employment such as the years 1941-42, the duration of benefit payments was not sufficient to carry many claimants through their period of unemploy-

ment. The meager information available as to the characteristics of the claimants does not indicate that they were predominantly a marginal group of workers whose experience could not be considered typical. In fact, these claimants included large numbers of workers laid off during the conversion of the Nation's factories to war production. In the reconversion period, longer periods of unemployment may be expected for more workers. A very high proportion of all claimants, therefore, may find the duration of unemployment compensation too short to bridge the gap from war to peacetime production.

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as of April 1, 1944*



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